THE DOLLAR NEWSPAPER.

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BROTHER AND SISTER.

BY CLARA AUGUSTA.

He sat on the lofty highlands,
Or climbed to the eagle's nest;
Wore the mountain rose in his helmet,
The chamois skin on his breast;
He laughed at the vivid lightning,
And worshipped the thunder's roar;
Grew wild with glee when the black sea waves
Burst over the frightened shore.

She was a meek-eyed woman;
She lingered in lowly vales,
And gathered the dew-wet daisy
That grew in the quiet dales;
She trembled when raged the tempest,
And paled at the angry sea,
For her soul was attuned to the low, soft strain
Of love's sweet melody.

He fought for the love of conquest,
Was first in the battle's brunt,
And bore down the mail-clad warriors
Like deer in the forest hunt!
And they crowned his brows with laurel,
And thundered his fame to the world,
And wrote his name in letters of fire,
On the flag his valor unfurled!

Her life was a calm, flowing river,
Going bright and pleasantly on;
Her world was the cottage and meadow,
Walled in by the blue horizon.
She soothed every heart that was weary,
And kissed off the tears of the sad;
Oh, many a spirit that good woman made
To rally from grief and be glad!

He died, as dieth the hero,
Unflinching, fearless and brave,
Defying the waiting death-angel,
Defying the wide, hungry grave!
She died, as the soft summer sunset
Goes down o'er the hills of the West,
Put her hands in the hands of her Savior,
Her head on pale Azrael's breast.

Oh, who in the time that approacheth,
Shall mete out to each the reward?
Which one has done best with the talent
Vouchsafed by the grace of the Lord!
Will *he* wear the crown of the conqueror?
Will *her* brow be bound by joy's glow?
Will *he*, or *she*, gain the true happiness?
Ah, who that is mortal may know?

[Written for the Dollar Newspaper—Philada.]

LINES TO A POET.

BY C. H. CRISWELL.

Thou saidst, when I was sad and lone,
And sorrow's tears were all my own,
That I should sing a strain for thee
Of melancholy melody.
That time is now; that hour is nigh;
And as with mournfulness I sigh,
The numbers from my sad harp flow,
Till tears within these eyelids grow.

For I have sorrows of my own,
Troubles and trials around me thrown;
And yet, endurance comes to me
From one great source—the Deity!
Minstrel! Thy song fell on my ear
With magic sweetness; truth sincere
In every thought and feeling shone.
Minstrel! thou art a gifted one!

AN ORIGINAL NOVELETTE.

THE ETHEREGE FAMILY;

OR,

A MYSTERY AND ITS CONSEQUENCES.

WRITTEN FOR THE DOLLAR NEWSPAPER—PHILADA.

BY Y. D. R.

CHAPTER I.

The Ethereges were a highly respectable family—at least everybody said so, and surely "everybody" ought to know! The Etherege property, too, was undoubtedly the finest farm in —— county, Pennsylvania; and, as long as anybody could remember, it had been in the possession of the Ethereges.

Before its occupancy by the present family, it had been owned by Jacob Etherege, a hard-featured, close-handed man, who held it, and worked it, and improved it, until he had trebled its value, and attained his seventieth year, when he died as he had lived—alone!

The property was left by will to the widow of his nephew, his only brother's only child, and this deceased nephew's family were the present tenants and owners of "Dear-bought Farm," as Jacob Etherege had christened his inheritance.

During his life-time, old Etherege had never held communication with any member of his brother's family, though, as far as outsiders could know, they were the only relatives he had in the world.

This brother, several years his senior, had, early in life, married a young Spanish orphan, much against the wishes of his father, who, dying soon afterwards, left a will, which completely disinherited the older son, leaving the property, under the charge of administrators, entirely to Jacob, who entered into undisputed possession when he had attained his twenty-first year.

The elder brother, Richard, manfully scorning to claim the assistance, which was not proffered to him, removed to one of our rapidly-growing cities, and by steady industry and untiring perseverance, earned for himself a competency with which to render comfortable an honorable old age.

His wife, the innocent cause of his early misfortunes, had died a few years after their marriage, leaving him an only son, who grew up all a father's heart could wish, married at an early age a penniless but amiable girl, and, following in the footsteps of his father, earned for himself a plain but comfortable subsistence. Finally, surrounded by his children and grandchildren, Richard Etherege breathed his last, and in a few brief years was followed by his son.

The widow, with her five children, retired to a small property a short distance from the city, where, by dint of economy, they lived comfortably as far as pecuniary means were concerned; but trouble still followed them. Within a year of their father's death, Mrs. Etherege buried two children, a noble son, and fair daughter just attaining maturity. And thus matters stood when the death of Jacob Etherege called the widow and her children to wealth and prosperity unhoped for and undreamt of.

By an unaccountable whim, old Etherege had left his property, not to his brother's heirs, but to the widow of his nephew, (whom he had never seen,) and thus, in her own undisputed right, Mrs. Etherege held the vast property known by the unromantic title of "Dear-bought Farm."

The old farm-house underwent a thorough course of repairs before its new owners moved into it; then the land was rented out to tenants, the two sons overlooked affairs, and their mother and sister lived at their ease, leaders of the country aristocracy, and indisputably the oldest and wealthiest family in —— county.

It was a cold, blustering evening in November, 18—, that the Ethereges gathered around a blazing fire in their comfortable sitting-room, where old-fashioned comfort and modern luxury mingled to make the room a pattern of cosy cheerfulness and social ease. Lights had just been brought in, and revealed the small circle grouped around the open fire.

Mrs. Etherege could not have been more than sixty years of age, but her hair was white as snow, her face wan and wrinkled, and her eye had a wandering, timid expression, as if expecting every instant to encounter some terrifying object. She was a small, slight woman, with stooping shoulders and low, plaintive voice.

At her feet, on a low stool, sat her youngest child, Juanita, a charming girl of eighteen, whose brilliant black eyes and jetty tresses caused her strongly to resemble the Spanish grandmother for whom she was named, and whose picture hung in her mother's bed-room, an object of awe and veneration to the whole family.

On the opposite side of the hearth, amusing himself with tormenting a huge Newfoundland dog, which lay between his feet, sat Richard Etherege, a young man of twenty-two or three, tall, handsome, and full of youthful life and spirit.

Tired at length of his frolicsome playfellow, Richard arose and strode to the window, where he stood for some time listening to the wind wailing through the tree-tops and the falling leaves and branches that, ever and anon, were blown against the casement. Turning abruptly to his sister, he said:

"Who was that young girl you were talking with at Harrison's gate, this afternoon?"

Juanita turned suddenly round, "Isn't she harming?" she cried rapturously. "Such eyes and hair! and such a gentle, lady-like manner! I never in my life was so pleased with a person upon a first acquaintance!"

"That is not answering my question," interrupted Richard, rather shortly.

"Don't be crusty, sir! She is the new teacher! She boards at Harrison's! Such a sweet, romantic history as she has too! I declare! I wish I were a man that I might fall in love with her, fight for her, and die for her too, if need be! She is of French extraction, I believe; she and her mother came to this country a year ago, from France, because her mother said there were those in New York upon whom she had strong claims, and though she did not want their help for herself, yet she knew she was going to die, and she said they (the rich friends I mean) must promise to keep her daughter from want. But, poor thing! she was taken sick on board the vessel, and died the day after she arrived in New York; and there was this poor young girl, a stranger, scarcely able to speak our language, and with hardly any money, to make her living in the great, cruel city. However, the captain of the vessel she came over in (he is Mrs. Harrison's brother) took her home to his wife, and they were all so pleased with her, that she lived with them a year, and taught them French and embroidery, (and she embroiders sweetly, Hannah Harrison says,) and at last, when Mr. Harrison was inquiring for a teacher for our school here, his sister wrote to him about her protege, and he obtained the situation for her; so last week she arrived, and Hannah Harrison says the whole family are perfectly in love with her, she is so beautiful, so talented and *so* mournful!" and Juanita stopped in her ardent recital, more because she was out of breath than for want of matter to continue it with.

"But, throughout all this long story, you have not yet told me the young lady's name?" said her brother, who had taken as deep an interest in the story as his enthusiastic sister could desire.

"Oh! have I not?" she cried. "How odd! Well, I don't remember her last name anyhow! But it's not a very pretty one, and not at all French. They all call her Mademoiselle Adrienne!"

A faint cry from Mrs. Etherege startled her children, and when they turned to her she was deathly white and trembling as if in great fear.

"Mother!" was their startled cry, and Richard raised his hand to the bell to summon assistance; but his mother, by a wave of her hand, motioned him to be seated.

"Do not! do not!" she gasped. "I shall be well again in a few moments! This is but a trifle! You know how weak my nerves are! But, for Heaven's love, my children, do not mention that name before your brother Wilford!"

"Why not? How in the world can the name of this little French girl affect Wilford in the least? Mother, you are dreaming!" and Juanita gazed wonderingly into the agitated face of her parent.

"No! no! I must not explain—you cannot understand—only I request, I command that you obey me. Hush! I hear his step, do not let him perceive anything unusual. Calm yourselves, I am quite well again!" and by a great effort the old lady took up the knitting, that had been lying in her lap, though her trembling hands could scarcely hold the needles, and, motioning her children away, all signs of her recent emotion were repressed. Richard and Juanita retreated to the deep window seat, and were there seated when Wilford Etherege entered the room. He was a man between thirty-five and forty years of age. Large, strongly-built, with deep-set eyes, closely-cut black hair, and a haughty, repulsive expression of countenance, that never softened, save when addressing his mother, between whom and himself a strong, devoted affection existed, more resembling that of intimate friends than of mother and son. Severe and stern, his young brother and sister regarded him more with awe than affection, and gazed at him with mingled curiosity and terror as he entered the room.

Without noticing them, and drawing a chair close to his mother, Wilford seated himself and commenced speaking in a rapid tone.

"Mother! I have heard to-night of an event, which reminds me that the time to which I had pledged myself to you is rapidly drawing to a close. Richard will soon be twenty-two—"

"Oh, Wilford! hush! hush!" cried Mrs. Etherege. "The children are in the room!"

Wilford turned round, and noticed, for the first time, the young couple in the shadow of the window.

"Juanita! Richard!" he said, "be kind enough to leave us for a while. I have that to say to my mother which none but she must hear."

Accustomed to implicit obedience to this elder brother, those whom he addressed quietly withdrew; but as they closed the door they heard the voice of their mother beseechingly saying:

"Oh! not now, Wilford! not now! I am not strong to-night, indeed I am not!"

They could not distinguish their brothers' reply, and, without pausing further, they descended to the parlor.

Richard seated himself moodily by the fire, and buried his face in his hands; but Juanita paced the room with rapid steps, her face flushed, her eyes flashing.

"Is it not too bad, Richard?" she said. "Here is more of this everlasting mystery! My mother starts and screams at the chance mention of a name we never heard before! Wilford orders us out of the room as if we were children! And this is only one scene out of hundreds such that are occurring every day in our lives! What can it all be? What have we done, that we should not be entrusted with our mother's confidence, even if Wilford chooses to retain his from us. This eternal whispering and cautioning even the very servants seem to have adopted! Old Wilson is forever mumbling some warning into my ears; now it is, 'don't say so and so before your mother:' or 'don't let Mr. Wilford hear you say that!' and so it goes on, day after day, until, I declare! I feel sometimes as if I should go mad. Why don't you speak, Rick? I shall fancy presently that you too are leagued against me!" and the young girl paused in her walk and stood excitedly before her brother.

"What can I say, Juanita?" he answered, raising his head. "You and I have exhausted conjecture in endeavoring to find a clue to the mystery with which mother and Wilford envelope themselves. We are no wiser now than when, as little children, we first discovered there *was* a mystery. We must trust to time to unravel all that so bewilders us. I cannot by any conjecture imagine, though, what could so have affected mother in the name of this young French girl; only her Christian name, too!—Just such a scene we had, you remember, when that last tenant came to see about renting Mills' cottage. When he said his name was Jacobson mother screamed, and pretty nearly fainted, and Wilford started up with an oath that frightened the man half out of his wits. And afterwards, when we questioned mother, it was only the old excuse of 'weak nerves.' I warrant it wasn't weak nerves that made Wilford swear!"

"There! that just reminds me," said Juanita, as she drew up a chair, and took a seat near her brother, "Mademoiselle Adrienne's last name is Jacobson; I did not think of it before."

"Impossible!" exclaimed Richard; and then they were both silent for a few moments.

"This girl, you are certain she has only been in this country a year? Was she never here before?" he said, at length.

"Never! She is only eighteen or nineteen now, and Harrisons had it from their uncle that she came in his vessel; he knows all about her, and about her people too, in France; she has an uncle there, a very respectable man, but too poor to be able to do anything for Adrienne. I know what you are thinking of, but it is entirely impossible that Wilford ever could have known this young girl before."

"Well! the whole affair is more mysterious than ever; and we must end this confab as we have ended so many more, quite as puzzled as when we commenced it. At all events, I am going over to Harrisons to see Hannah, and get an introduction to our mysterious French beauty." And kissing his sister affectionately, Richard left her.

CHAPTER II.

"Not now, Wilford! Wait until to-morrow!" and Mrs. Etherege, when her younger children had left the room, turned beseechingly toward the one she addressed.

"No, mother!" said the man, sternly. "No! I have too long left this solemn duty unnoticed, at your request! I have done my duty as a son; you can never reproach me with a disregard of your wishes, save when you strive to turn me from the fulfillment of a vow so sacred that even my duty to you seems but secondary. I have remembered the claims of my mother, do not wish me to forget that I have been a brother!"

"*Have been!* Oh, Wilford! remember you still are a brother!"

"I *do* remember it, mother! But Richard is now a man, fully able to defend and protect you and his sister. I must no longer delay a step that has but too long been deferred. Next week I leave you. Hush! mother, I will not listen to a single remonstrance! I start next week for Europe, and when next you see me, *that* page in the family Bible may be unclosed; Richard and Juanita may be led to the sacred graves they never yet have seen; and you may once more close your eyes in peace! This must and shall be! The blood of the innocent cries to me for vengeance! They shall have it, or-my mother, you never see Wilford more!"

The voice of the speaker trembled. Mrs. Etherege was sobbing violently.

"Oh, Wilford!" she cried, "must I lose you too! my first-born! my best-beloved! Oh! give up this unholy project! Let the destroyer go! Be well assured his punishment is in surer hands than yours. Wilford! Wilford! do not leave me in my old age, and with this awful mystery resting on my breaking heart!"

"Oh, mother! how can you talk so! Have you forgotten the solemn promises you have so often given me, that, if I would but remain with you until the children grew up, you would offer no opposition to my departure, mother? Have you forgotten how dreadful a thing is a broken vow? Beware! lest the consequences fall upon the innocent heads of those children you treasure so closely! Have you forgotten—"

"No more! no more, Wilford!" gasped his mother. "Go! if you needs must! I dare not say 'God speed you!' I dare not even pray for you, oh! unhappy mother that I am! 'Have I forgotten?' say you. Oh, my children! my misgoverned, noble-hearted boy! My dove-eyed girl! never, until this aged heart has ceased to beat, will it forget your untimely ends! Go! Wilford, I detain you no longer."

Wilford walked to the window to conceal his own emotions. He waited until his mother was calmer, and then resumed his seat by her side.

"And now, mother, I will tell you of a rather singular circumstance that came to my knowledge to-day. There is, staying at farmer Harrisons, a young French girl whose name is Adrienne Jacobson."

Mrs. Etherege started. "I heard Juanita speaking of her as you entered."

"I need hardly tell you, mother, that this was the name of—"

"Yes! yes! I remember very distinctly!" interrupted Mrs. Etherege, hurriedly. "Wilford! Wilford! surely it is not her!"

"Oh no! mother," said her son, decidedly. "As soon as I heard the name, I sought an opportunity of seeing the young lady; she is a girl scarcely as old as our Juanita, was born and bred in France, and has never been in this country until a year ago. This I have learned from positive authority; the similarity of names must be merely a coincidence, though a very remarkable one," and he paused thoughtfully.

"But you know—surely you remember—the child," faltered his mother, in a faint voice.

"I remember the child very distinctly, mother. But you have forgotten that it was a boy. No! no! I am entirely satisfied this affair is but a coincidence in names. However, it has served to quicken my steps in this matter. I shall leave you on Monday; I have ascertained the next steamer leaves on Wednesday; I will go through to New York, and from Bellamy gather what information he can furnish me, and then straight to England! Oh! how I curse the moments that lag so tardily, when I fain would—"

"Hush, Wilford!" said his mother, in a calmer tone than she had yet spoken in, "quiet yourself, and sit by me, while I reveal to you some circumstances that were intrusted to my keeping many years ago. It is seventeen years this fall since your father died. Do you remember a journey I took a few months afterward, which so awakened the curiosity of you elder children?"

"I remember it perfectly, mother, now that you speak of it, though I confess it had almost departed from my memory."

"That journey was occasioned by a letter I received from your father's uncle, old Jacob Etherege, then the owner of our present home. It was a pressing invitation from him for me to come to see him on business of vital importance. He was bed-ridden at the time, or, he said, that he would have come to me. I probably should have declined the journey as it was in the dead of winter, and Richard and Juanita so young, so soon, too, after the death of your father. But just before your grandfather died, he had been speaking to your father and myself about this brother of his; and he charged us, if uncle Jacob ever made any offers of reconciliation, that we should accept them, and bear to him the assurance of his brother's entire forgiveness. Your father and I both promised to obey his wishes, and the poor old gentleman only lived long enough afterward to press his first kiss upon the brow of my babe, and bestow upon her the name of the Spanish bride, whose memory he still treasured so dearly—Juanita.

"But I am wandering from my story. My promise to your grandfather induced me to comply with uncle Jacob's request, though at considerable inconvenience to myself. It was a bitter cold night in December, when, for the first time in my life, I entered Dear-bought Farm. A violent storm of sleet ushered in my arrival. Almost perishing from the inclemency of the weather, I was received by an old woman, a sort of housekeeper to uncle Jacob, and introduced into this very room in which we are now sitting; it was uncle Jacob's bed-chamber; he was suffering from a violent attack of inflammatory rheumatism, and his temper, always violent, was now so irritable that his attendants were actually afraid to come near him. I was evidently expected, for he growled out some kind of a speech, intended to be a welcome, and then, dismissing every one from the room but myself, he plied me with inquiries innumerable concerning his brother, (your grandfather,) myself, and my children. I told him of his brother's last message to him, and he seemed very much affected. 'Poor Dick! Poor Dick!' he muttered. 'You might well forgive me, for your wrongs have been bitterly avenged!' He asked me the names of my children, and when I mentioned Juanita he started up in bed, crying out, 'You have a child named that? named Juanita? Why did you not bring her with you? Juanita! Juanita! Oh, my God! when has that name crossed my lips before?' He lay back upon his pillow and covered his face with his hands; at last he spoke in an altered tone that almost frightened me by its very gentleness, 'I crave your pardon, Madam, for my vehemence; I am an old man now, but the very memory of the passions of my youth are almost sufficient to unman me!' Here he paused, and at length resumed, 'I have sent for you, Madam, to relate to you a tale which I once fancied I could carry to the grave with me. But I cannot! I cannot! Remorse has completed her work; such restitution as I can make, I will; and then perhaps I can die! Not only for this, have I sent for you, but to exact a pledge, a promise from you, without which my last moments will be as miserable as my wretched life has been!' I would have spoken, but he silenced me by an impatient wave of his hand, and, after a brief pause, recommenced. 'Your husband's father and myself were only children; he four years my senior; but never, surely, were brothers so unlike! He, mild, affable, handsome, winning all hearts with scarce an effort—I, passionate, jealous, unforgiving and ill-favored! Loved by none but my father, with whom, strange as it may seem, I was undeniably the favorite. We grew up, our several dispositions strengthening with our growth, till at length Juanita Riviere, Spanish emigrants, who had fled to this country in hopes of bettering their fortunes, but the severity of the climate was too much for their impassioned natures, they pined for the sunny skies of their native home, and soon died, leaving Juanita friendless and forlorn. She was adopted by a kind-hearted farmer, and brought up as one of his own family. She was about sixteen when my brother and I first became acquainted with her. Why need I tell the rest? We both loved her! I was only seventeen, but I loved her, I tell you, madly! passionately! as I never loved anything in earth or Heaven, before or since! She loved Richard! Who could have expected anything else? Who could have helped loving him, so handsome, so manly and so good? He had but one enemy in the world, and that was me—his only brother! To do them justice, I do not think either Richard or Juanita had the least idea of my mad passion; I was only seventeen, and they both looked upon me as a boy, and they never guessed how I hated them! Yes! *them*, for when Juanita turned from me, when I saw how she clung to him, I hated her too, from the very bottom of my heart! I thought I could prevent the marriage, and I carried all kinds of false stories to my father—the old man, who loved me so well that he placed implicit confidence in all I said—stories about Juanita, that had any one else but whispered, I would have torn his slanderous tongue out by the roots! My treachery succeeded but partially; my father upbraided Richard for his love, and forbade him to see Juanita more. Vain command! In less than a week afterward, the imprudent pair were clandestinely married, and Richard boldly avowed the Spanish orphan as his bride. My father raved and swore with unavailing rage when he heard the truth; and in the first heat of his passion, he made a will, disinheriting entirely his oldest son, and leaving me sole heir of all he possessed. He was soon after the victim of a stroke of apoplexy, and I was rich, while Richard was starving! He came to me once after the old man died, but I laughed him to scorn, and triumphantly told him of the hand I had taken in his misfortunes. He was horror-struck, but turned away without a word, and I never saw him more. I lived on in hard-hearted selfishness, caring for no one, and disliked and shunned by all. I was forty, when I began to think of marrying, for I could not bear the idea that my property, after all I had done to obtain it, should go back to Richard and his children. So I looked around for a wife; but I had no idea of a woman who married my money-bags and not myself! I went as a poor man to a strange city, and there I found a woman who could love even me—she did love me, poor soul, to her dying day! She was not young, nor handsome, nor rich, but she was a pure, noble-hearted woman from God's own hands. She married me, thinking me a poor clerk, and she never knew me as anything else. We had a son, an only child! Oh! how I loved that boy! He was mine, dependent upon me, clinging to me, the only thing I had to love, for his mother died when he was but three years old. I would not acknowledge him before the world, for still I gloried in my revenge, and how, when I should have died, and Richard's children should come forward to claim the estate, then my boy should arise, and, exulting in their disappointment, announce himself my heir! Oh, hard, inexorable fate, that made the instrument of my punishment that son I loved so well! Harry grew up, bold, passionate and reckless—I soon found I could no longer manage him; all kinds of vice and wickedness became familiar to him; and finally he wound up his follies by a marriage with a low woman, attached to some theatre—and this when he was scarcely twenty! I cast him off from me in a fit of passion; I forgot his youth, his dead mother, all that should have made me patient with him, and, turning from me with curses on his lips, he fled, and I never saw him afterwards. Alone, and lonely in my old age, disease came creeping on, and all my riches could not keep him off! I heard of Richard's death, and since then I seem to have forgotten my anger, for I have longed so to see him or his children! Then came news of my nephew's death, and I felt I could delay no longer. I have sent for you, to tell you all, and to beseech your compassion and forgiveness for a dying man whose punishment is indeed greater than he can bear.'

"I gave him all the comfort it was in my power to bestow, and he continued:

"'I have made a will, in which I leave to you, entirely, my whole property; I leave it to you, rather than to Richard's children, because I wish you to hold it partially in trust. I wish you to make search for my poor lost boy, and then one-half of this property is to be his. I leave no legal document to this effect, but trust to your honor solely. Promise me you will fulfil my wishes?'

"'I promise!' I cried. 'Nay, swear!' said the old man, and seizing a Bible that was lying on a table by his bedside, he handed it to me. Overcome by the solemnity of the scene, I pressed the sacred volume to my lips and said: 'I swear to fulfil your wishes to the best of my ability!' And may the curse of a dying, heart-broken man rest upon you and your children, if you violate your oath!' were the last words the old man said to me.

"In less than a year I heard of his death, and our accession to the property; but my own terrible trials banished from my memory all thought of my promise, and afterwards I knew not how or where to look for this unfortunate man, who must now be nearly as old as yourself. But now, Wilford, I charge you with this trust, too long neglected; and to you must fall the task of searching for, and raising from his degradation if possible, this cousin of your father's. My son, will you accept this trust?"

"I will, madam!" he answered, "the more readily as the old man's curse does indeed seem to linger on yourself and your children. But, see! the night is far advanced. I pray you, mother, retire now, and try to calm your excited nerves by a few hours quiet sleep."

The good-nights were spoken, and mother and son separated, each to a sleepless pillow.

CHAPTER III.

It was in the afternoon of the ensuing Sabbath that Richard Etherege was sitting, reading, in the recess formed by the deep windows of the room where first he was introduced to the reader's notice, when he was startled by the hurried entrance of his sister, who, after closing the door carefully, advanced toward him and said, in an excited manner:

"Rick! do you know Wilford is going away?"

"Going away! When? where?" was the quick response.

"I know not; I can tell you nothing at all about it, save that his trunk is packed, and that mother has been shut up with him in his room all the afternoon. I was on the staircase, just below, when I heard them come out together, and mother said, 'The carriage shall be ready for you at day-break. Old James will drive you over to the railroad, and I myself will see about your breakfast.' I could not hear his reply, but they went together into that terrible West chamber, and there they have been ever since. Oh, brother! is not this mystery horrible?" and, tearfully, the speaker paused.

Her brother replied: "What you tell me does indeed astonish me; yet so long have we been accustomed to Wilford's strange ways, that I can well believe it to be true. Oh! if we could but by some means enter that West chamber! I feel confident the clue to the mystery is contained therein. If mother and Wilford treat us with so little confidence, I see no reason why we should not try to find out for ourselves a secret that seems to affect us no less than them. Juanita, if you will consent, I will take the impression of that lock in wax, and have a key made in the village that will fit the mysterious door. Together we will break through the terrible secret that has cast a shadow over our lives ever since we can remember; it will be no breach of confidence, since no trust has ever been placed in us. What say you?"

"I consent!" cried the girl, with flashing eyes. "It may be dishonorable, but anything is better than this horrible suspense; this moving and walking as if in a dream! No reality can be worse than the pictures my imagination has formed. Do as you have said; I feel convinced that the opening of that fatal door will dispel the cloud that so long has hung o'er us."

The sound of the tea-bell interrupted the conference. Mrs. Etherege did not appear at the table; and Wilford said that his mother was suffering from a nervous headache, and had retired in the hope that a night's rest would restore her. A significant glance passed between the young brother and sister, and, as Wilford turned his head to give some direction to the servant, Richard leaned forward and whispered to Juanita: "A nervous headache is also the consequence of a visit to the Widow Wilford's face!"

Juanita hurriedly rejoined:

And, indeed, no attention of the most careless observer. He was ghastly white; even his lips were colorless; but compressed so firmly, that they gave a look of stern severity to his face that would have made a timid person cautious of provoking him; and his deep-set eyes glowed beneath his heavy brows like coals of fire.

Little or nothing was said during the meal. After a few moments' pretence of eating, Wilford arose, and said, "Richard; Juanita; I wish you both to join me in the parlor when you have finished your suppers," and, without looking at them, he left the room.

"He probably intends to honor us by informing us of his approaching departure!" said Richard, with a bitter laugh. "It would really be shocking to our nerves, you know, Juanita, if we were to get up to-morrow morning and find our dear, affectionate brother gone, we know not where, and coming back we know not when! He is considerate, truly!"

"Oh, hush! hush!" cried Juanita. "We know not what we are saying. Did you not notice how deathly pale he looked? Poor Wilford! how can we guess what his sorrows are!"

"Well, come," retorted her brother. "Let us go to him; perhaps he will enlighten our ignorance, and map out for our benefit his destined course of travel. Make us sharers in his wonderful secret, pshaw, too! Very probable, is it not, Juanita?" and the two together entered the apartment, where they found Wilford, seated by the fireside, on a low chair, his face completely hidden in his hands.

He took no notice of the entrance of his brother and sister, although Juanita came close alongside of him and leant against the chimney-piece. Richard waited for some moments, and at last broke forth impatiently:

"Well, Wilford, you have summoned us to your presence like culprit school-children, and now that we are here, have you nothing to say to us?"

Wilford took no notice of this speech, and, angrily, Richard started up.

"I will not be treated thus! I am getting too old to bend to all your whims now, Master Wilford! Juanita may stay if she likes! *I* am going, and will leave you to your meditations!" and the impetuous youth would have left the room, but was arrested midway by his brother's voice. Could it be Wilford that spoke? The stern, passionate Wilford!

"Come back, Richard! I beg your pardon for trying your patience so severely. Bear with me a little longer; I shall not soon offend you again."

Subdued, he knew not how, Richard returned to his seat by the fire-place, and in silence awaited his brother's pleasure. The traces of tears were upon the strong man's cheeks, and his voice trembled with irrepressible emotion. He said at last:

"I am going to leave you to-morrow; the period of my absence may be much prolonged, it is at all events indefinite; possibly I may never return. I cannot tell you where I am going, nor for what purpose; when I return, if ever I do return, you shall know all. The terrible mystery, which has so awakened your youthful curiosity, shall be fully revealed, and henceforth we will have no secrets from each other. But one promise I must exact of both of you—Richard! Juanita! Until I return, take no steps to discover for yourselves that which your mother and I have so long and painfully kept from your knowledge. Do not question her; she is old and feeble; the terrible sufferings she has undergone, of which you can form no conception, have weakened her nerves, until, I have no doubt, you could easily draw from her the terrible story we have so studied to conceal. Children! promise me, on your honors, that you will wait until my return, before you take any steps to acquire this fatal knowledge! What! no answer! Richard, will you not promise me?"

"No!" was the sullen reply. "No! you have treated me as a child long enough! I am a man now, and have as good a right to know my mother's secrets as you have; and if she will tell me, I *will* know them; and if she will not, why—I'll try to discover them myself," and he turned doggedly away.

"Infatuated boy!" cried Wilford. "What can I say to induce you to yield your imprudent purpose! Juanita, speak to him! Bid him trust me; only for a few months longer!"

"No," said the girl, faintly, but still firmly, "I think Richard is right; we are, both of us, too old to be treated as mere children. If you refuse us *your* confidence, I do not think you should try to withhold our mother's."

Wilford arose, and strode the room in great agitation. "My God! my God!" he cried. "What new trial is this Thou dost bring upon me?" and, stopping suddenly, he resumed: "Children, I tell you, you will kill your mother if you venture to question her upon this subject! It is one she cannot bear! And if you discover the truth, it will only bring shame and sorrow upon yourselves. Why will you not rely upon me? What have I done, that I have so lost your confidence?"

"You have totally withheld your own!" answered Richard. "There is no such thing as one-sided confidence between man and man! If we trust you, you must trust us; and you don't trust us; you never have trusted us; and I think this family secret should be as much ours as yours!"

Wilford gazed from one to the other of his companions; but on each young face unbending resolution was expressed as firmly as ever it had been on his own.

"Hear me!" he said, with a groan. "I promise you faithfully that, if you will only take no steps in this matter yourselves, in three months you shall know all; and only from me can you know all. Will this content you?"

"If I could be assured that you would not fail in your promise?" said Richard, doubtfully.

"My word has never yet been doubted, sir!" answered his brother, haughtily; then resuming his former eager tone, he continued: "I will swear to you, if you require it, that my pledge shall be kept. This night will I commit to paper the fatal tragedy which has blasted the lives and happiness of every member of our family but yourselves; and in three months, if I am no longer living, it shall be given into your hands, and you shall know at once our mother's misery, and my disgrace! Have I your promises?"

"You have!" was the simultaneous reply of Richard and Juanita.

"Then," continued their brother, "I will now retire to my room, and commence at once my painful task. As I shall leave before the family are up, to-morrow, I will bid you farewell now. Good-bye, Richard!" He offered his hand to his brother, and they exchanged a warmer grasp than they had done for many years.

"Good-bye, Juanita!" He clasped the hand of the young girl, and then, as her tearful eyes met his, he caught her passionately in his arms, and kissed repeatedly her brow and hair.

"God bless you, my child! my little Juanita!" he cried, as he strained her convulsively to his bosom.

"Do you *really* love me so much, then, Wilford?" said she, in tearful astonishment.

"Do I really love you, child!" he faltered, in a broken voice. "Have you yet to learn my affection for you? Oh, Juanita! Juanita! I never thought you doubted that! God grant you may never know the fearful sacrifice I have made for both your sakes! God bless you! and farewell!" And, hastily, Wilford left the room.

The younger brother and sister, but little inclined for conversation, soon parted for the night, and when next they met, at the breakfast table next morning, Wilford was gone, and no trace of his departure was left save the swollen eyes of Mrs. Etherege.

CHAPTER IV.

The weeks slipped by, and the influence of that last evening with Wilford gradually faded from the minds of Richard and Juanita. They were too young, and had too long been accustomed to the influence of their dread family secret, for the emotions which it had excited to be lasting. The lively frolics of a country winter were commencing, and the pleasurable excitements of youth and innocence, their natural cheerfulness of disposition returned. Mrs. Etherege, to be sure, was unusually low-spirited, but her children had never known her gay or happy, and when, at the end of a week, a letter arrived from Wilford, (which none but his mother were allowed to see,) she too seemed more content, and all moved on as before.

Richard and Juanita were constantly in request into the society of Mlle. Jacobson, the more ter they became acquainted with misfortunes first they were attached to her, and her winning attracted their whole disposition secured their manners and charms of heart and person so attracted the light-hearted Juanita, what were the effects upon her more sober-minded brother? If the timid glance of the dark blue eye, or the modest flush of innocence in the youthful cheek of the young foreigner, seemed so charming to the impetuous girl, what were the emotions they excited in the young, passionate heart of Richard Etherege?

'Tis an oft-told story! He saw, admired, and loved! And in the few short weeks of their first acquaintance, thrown constantly into each other's society, a passion, strong as it was sudden, sprang up between them, unacknowledged even by themselves, yet none the less powerful and absorbing.

Since Wilford's departure, Mrs. Etherege shrank more than ever from society; consequently, although Adrienne frequently visited Juanita, her mother never met her; and, remembering the scene which the casual mention of the French girl's name had once produced, both Richard and his sister carefully refrained from speaking it before her.

One day the two friends were sitting in their favorite seat, the deep window of the sitting-room, at the Etherege's, chatting over their girlish plans and projects, when some chance allusion caused Adrienne to ask:

"How is it that I have never seen that dear mother of yours, except at church? Does she never see strangers?"

"Not often," answered Juanita, evasively. "Since brother Wilford's departure, she goes nowhere, and sees no one. She grieves very much for him."

"Ah!" sighed her companion, "my dear mamma, too, was always sad, always grieving; and I do believe, had it not been for leaving me so friendless and forlorn, she would have been happier dying than ever she was while living."

A silence ensued, which Juanita broke by asking, "Dear Adrienne, if it would not pain you too much, I should like to hear your story from your own lips. Hannah Harrison has told me some few brief passages from your mournful experience, but I should like to hear it all from you."

"Beyond what Hannah has told you, I have very little to say; but that little you shall speedily know, if you wish to hear it." And, after a pause, she resumed: "I do not know—I do not think I was born in France. My mother was, but she has spent many years in America, I know; and I think I was born here, although she never told me that I was. But, at any rate, as long as I can remember, we have lived in France. My mother quarterly received a sum of money, generally from England, but the last year the remittances were post-marked New York. I frequently questioned her as to the source from whence this money came, but she never gave me any satisfaction, save that it was from one who had the best right to support us. The amount was not large, but sufficient to support us comfortably and to give me as good an education as the best schools around us could afford. My mother had been a beautiful woman in her youth, and even to her death her beauty had fallied not so much from the ravages of time as by the excessive grief which had preyed upon her as long as I can remember. From the time the post-mark on our blank remittances was altered from London to New York, my mother seemed meditating some scheme in her head, which at last she revealed, by telling me that she had determined to re-visit America. The reason she gave for this determination was, that her health was rapidly failing, and she could not die until she had placed me under the charge of those who could and should support me. Who these persons were, upon whom she depended so entirely, she would never tell me; and I never could persuade her to speak with me upon her past life, my father, or any matters beyond our everyday affairs. You know the rest of my sad history! My dear mother grew rapidly worse while on the voyage; and when we arrived in New York she was in a dying state. Mrs. Harrison's brother, the kind captain of our vessel, conveyed myself and my dying parent to his own home, where all that Christian kindness could do was done for her relief. Alas! how vainly. She died the day after her arrival, and, with the exception of a few moments before her dissolution, she was unconscious all the time. But, in those few moments, a most important revelation was made to me. She opened her eyes, and her lips moved as if she would speak; I bent over her, and my eager ear caught the words, 'You have a father and brother in this city.' Oh! how breathlessly I listened to the struggling words which followed! Alas! alas! they were inarticulate, and the next moment her eyes closed, and the stupor of death came over her. The rest you know. The God of the orphan has found me friends, kind friends, and dearly I appreciate them; yet the longing to search for and find this unknown parent and brother is at times almost insupportable; and I shudder when I think those words, so precious to me, might have been but the wanderings of a diseased brain."

"Oh! we will not think so, dear, dearest Adrienne!" cried her sympathizing auditor. "A history so romantic as yours can surely not end in disappointment! Come! cheer up! We will still hope that some one of fortune's numerous changes will bring to light this mysterious father and brother, who will turn out all your fondest anticipations could wish. Cheer up, I say! and believe that I am a true prophet."

Half smiling through her tears, the young orphan thanked her friend for her hopeful words, and the conversation taking another turn, her sorrows were for the time forgotten.

CHAPTER V.

One month after the departure of Wilford, a letter from him to his mother arrived, enclosing one to Juanita. Hers ran as follows:

"Dear Little Sister:—I am commissioned by our aunt, Mrs. Glendower, to invite you to spend the remainder of the winter with her. I am anxious you should accept the invitation, for, little as you think I love you, I confess I sadly long to see my black-eyed 'Nita again. From the day our father died, and I took you, a helpless infant, in my arms, and vowed that while I lived you should never feel a father's loss, I have never been separated from you until the present time; and

Annie repeated it in a low tone. "Now how have you acted this afternoon, like a heathen or a Christian child?"

"Heathen, I suppose," said Annie faintly, "but I don't always do so!"

"No, I hope not; but you know the Saviour sees each act, and don't you think he must be pained to see you acting this afternoon just as if he had never come on earth, and toiled, and died to teach better ways?"

Annie burst into tears. She had felt secretly ashamed and uneasy, during the whole ride, and had concealed it under unusual outward gaiety. Now the reaction was coming.

"I do not want to 'lecture' you, dear Annie," said her uncle very gently; "but I want you to feel so sorry for what you have done, that you will not do so again; not alone because it was leading our little Sue wrong, nor because it deprived your brother and cousin of a ride they would have enjoyed very much; but because it was breaking the Golden Rule—a rule that I think the Angels in Heaven love to obey, and that you, and I, and Sue, must love to obey before we can join them."

Annie sat silent for some time, and her uncle could not tell, from the expression of her face, what she was thinking of. But as he lifted her from the sleigh at the door, she put her arms around his neck and whispered earnestly—

"I am going to try to *love* the Golden Rule, Uncle James!"

THE DOLLAR NEWSPAPER.

PHILADELPHIA:

Wednesday Morning, December 10, 1862.

THE NATIONAL FINANCES.

Report of the Secretary of the Treasury.

TREASURY DEPARTMENT, Dec. 4, 1862.

SIR:—In obedience to the act which requires the Secretary of the Treasury to prepare and lay before Congress, at the commencement of every session, a report on the subject of finance, embracing estimates of receipts and disbursements and plans of revenue, he submits, respectfully, the following views and statements:

The breaking out of the existing rebellion, soon after the incoming of the present administration, demanded the employment of all necessary means for the preservation of the territorial integrity of the republic, and for the maintenance of the constitutional supremacy of the whole people, through their national government, over every State and every citizen.

To authorize and prescribe the employment of these means was the peculiar province of Congress; to call forth and direct the armed force, which might be authorized, belonged to the President, and, under him, to the Departments of War and of the Navy; while to provide the means to meet authorized expenditures in its employment devolved, under the legislation of Congress and the direction of the President, on the Secretary of the Treasury.

Varying exigencies have required adapted measures and necessitated unanticipated expenditures. Estimates, correct when made, have been rendered inaccurate by changed circumstances. Such conditions always attend war, whether external or civil, and we could not hope to escape these.

It is not, therefore, matter of surprise that the estimates submitted in July, 1861, for the year ending on the 30th of June, 1862, were exceeded by the actual expenditures, or that those submitted in December, for the year which will end on the 30th of June, 1863, will probably be, in like manner, exceeded.

The estimates of the Secretary must, necessarily, be derived chiefly from information furnished by other heads of departments; and this information, adjusted to the probable contingencies, cannot possibly anticipate all the vicissitudes of war or of legislation.

Thus, the estimates for the last fiscal year, submitted at the July session of 1861, were based on estimates from the War Department for an army, including volunteers and regulars, of three hundred thousand men; and from the Navy Department, for a naval force quite inconsiderable in comparison with that afterwards found to be indispensable. Congress, thinking the proposed military force inadequate, provided for a volunteer army of five hundred thousand men, besides regular troops and special corps, numbering, together, over fifty thousand, and also for considerable additions to various corps, and a large increase of pay and rations. The estimates of July required, in consequence, many supplementary.

So, also, the estimates for the current fiscal year, submitted at the last session, were framed in substantial accordance with information furnished by the several departments. The necessities of the war, however, rendered it expedient, in the course of the summer, for the Executive of Congress, to call for three hundred thousand additional volunteers, and make a draft of three hundred thousand men in addition to these. The estimates, of course, must again prove inadequate.

The increase of the army, however, did not greatly affect disbursements between the date of the December report and the close of the then current fiscal year. The increase of debt, therefore, did not exceed the December estimate. On the contrary, while the estimate anticipated a public debt on the 30th of June, 1862, of $517,372,802 93, its actual amount on that day was $514,211,371 62. This amount, of course, does not include unascertained claims, but only that debt, the evidences of which existed in the treasury, upon its books, or in the form of requisitions in favor of creditors or of disbursing officers. It is not probable, however, that at the date named, these claims much, if at all, exceeded the balance in the treasury, namely, $13,043,546 81.

But while the public debt on the 1st of July, 1862, did not reach the amount anticipated by the estimates, there is no room for the pleasing hope that the results of the current fiscal year or the next will exhibit a similar proportion. On the contrary, the estimate of the public debt on the 1st of July, 1863, heretofore submitted, must now be advanced, in view of the unexpected increase of expenditures, authorized and incurred or likely to be incurred, to $1,122,297,403 24; and on the supposition that the war may be continued with undiminished disbursements until the 1st of July, 1864, the debt likely to have been then incurred must be estimated at $1,744,685,586 80.

It has been the care of the Secretary to reduce the cost of the debt, in the form of interest, to the lowest possible amount, and it is a source of real satisfaction to him that he has been able, thus far, to confine it within very moderate limits. The first loans, being of a magnitude hitherto undreamed of in our market, were necessarily made at rates as much as has regarded as high, though sometimes strenuously resisted, as higher; but large amounts are now obtained at five and four per cent., while the circulation of United States notes constitutes practically a loan from the people to their government without interest. The average rate on the whole loan is thus reduced to 3·65 per cent. Whether a similar result may attend future loans must be determined partly by the legislation of Congress, partly by the conduct of the war, and partly by the condition of the markets for money.

The statements of the actual and estimated receipts and expenditures for the last and the current fiscal year, in comparison with those of the December report, must undergo modifications similar to those of the public debt. Both receipts and expenditures for the current and the following fiscal year will be greatly affected by the operations of the augmented tariff and of the internal revenue, and the latter by the exigencies of the war.

The aggregate receipts for the fiscal year 1862, from all sources, including the balance of $2,357,063 93 in the treasury on the preceding 1st July year, were $583,885,247 08; and the aggregate expenditures $570,841,703 25; leaving a balance in the treasury on the 1st day of July, 1862, of $13,043,546 81. From the receipts and from the expenditures should be deducted the amounts both received and disbursed within the year on account of permanent and temporary debt, amounting to $96 096,922 09; leaving the total of receipts not applied in payment of debt $487,788,334 97, and the total of current disbursements $474 744,778 16. As the amount of debt, last so, the amount of the expenditures for the

The actuals short of the estimates, fiscal year 1863, for the first quarter of the year, the books of the Treasury July 1, 1862, especially for the purpose, are remaining unsatisfied; the receipts to be estimated on the basis of previous years; and are therefore by the several departments, have been and are estimated as follows:

For the 1st quarter the actual receipts from customs, internal duties, direct tax, lands, and all other sources, excluding loans, and including the balance from last year, of $13,043,540 81, were -	$37,208,529 02
For the 2d, 3d and 4th quarters the estimated receipts from all sources are - - - -	143,286,816 58
Making the total of actual and estimated receipts, from ordinary sources and from the direct tax, during the year 1863,	180,495,345 60
To this sum must be added sums already realized from loans in all forms, which amounted, during the 1st quarter, to -	$114,458,821 02
And during the months of October and November, estimating for some of the last days of November, to -	85,570,895 99
Making an amount already obtained from loans to the 1st of December, and applied in payment of current expenditure, and principal and interest of public debt, of - - -	200,129,717 01
And there must be added, also, the amount which will probably be hereafter realized from loans in all forms, under existing laws, namely - -	$131,021,197 35
Making the total receipts actual and anticipated, under existing laws - - -	511,646,259 96
On the other hand—	
For the 1st quarter of the fiscal year 1863, the actual expenditures were -	111,681,447 40
For the 2d, 3d, and 4th quarters the actual and estimated expenditures, under existing appropriations, including interest on public debt, are - -	672,8 3 811 78
And additional appropriations are asked for by the several departments to meet estimated deficiencies, to the amount of -	109,418,093 39
Making the whole amount actually expended or estimated	$893,346,321 43
To which must be added the estimate for payment of principal of public debt during the year, of - - - - - -	95,212,456 14
Making an aggregate, for all purposes, of -	$988,558,777 62

It is necessary to observe, however, that in the present state of the law the estimates of the departments always largely exceed expenditures. The law forbids the transfer of any part of an appropriation for one object or class of objects to another. Consequently, when any appropriation happens to be exhausted, expenditures for the objects of it, however important, must be arrested until a further appropriation can be had. Such an occurrence during the recess of Congress might occasion great public inconvenience and injury. Hence it has become usual to make every estimate large enough to cover all possible requirements under it till a session of Congress shall afford an opportunity of providing for any deficiencies which may thereafter occur. Hence there is always a large balance of unexpended appropriations at the end of every fiscal year, which, after two years from the making of them, are carried to the credit of what is called the surplus fund.

It may be safely estimated, therefore, that, of the appropriations made and asked for, there will remain unexpended on the 30th of June, 1863, and should, of course, be deducted from the apparent aggregate of expenditures, not less than - $200,000,000 00

The deduction of this sum will leave as the true aggregate of expenditures for the year - 788,558,777 62

But this sum, as already stated, there has been received and may be expected from customs, internal duties, and other ordinary sources $150,495,345 60

And from loans in all forms - - 331,150,914 36

Making an aggregate of realized and antic pated resources, to be deducted from the sum of actual and anticipated expenditures for all purposes, of - 511,646,259 96

And leaving yet to be provided for the current year by the action of Congress - 276,912,517 66

The estimates for the fiscal year 1864, commencing on the 1st day of July next, and ending on the 30th day of June, 1864, must, in the present circumstances of the country, be, in great part, conjectural. The estimates of expenditures have been framed by the several departments on the supposition of the continuance of the war—a supposition which, though very properly assumed as the basis of estimates intended to cover all contingencies, is not, it may be confidently hoped, destined to be realized. The estimates of receipts are based upon the operations of recently enacted laws, the working of which cannot be accurately foreseen.

The estimates of expenditures are as follows:

For the civil list, including foreign intercourse and miscellaneous expenses, other than on account of the public debt,	$25,081,510 08
For the Interior Department, Indians and Pensions, -	10,346,577 01
For the War Department, -	738,329,146 89
For the Navy Department, -	68,357,255 01
For interest on public debt,	33,513,890 50
For principal of public debt,	19,384,804 16
	895,413,183 56
To which sum should be added the expenditures for which appropriations made are estimated as remaining undrawn on the 1st July, 1863, -	200,000,000 00
Making the aggregate of expenditures to the 1st July, 1864, for which appropriations are made or asked, -	1,095,413,183 56
From which should be deducted the probable amount of appropriations which will remain undrawn on the 1st of July, 1864 - - - -	250,000,000 00
Making the true amount of probable expenditures during the fiscal year 1864 - -	845,413,183 56

The estimates of receipts are as follows:

From customs -	$70,000,000
From internal duties	150,000,000
From lands - -	25,000
From miscellaneous sources - -	3 000,000
Making the aggregate of receipts for the fiscal year 1864 to be deducted from the aggregate of expenditures - - -	223,025 000 00
And leaving the amount of expenditures of the fiscal year 1864 to be provided for	622,388,183 56

The whole amount to be provided by Congress, beyond resources available under existing laws, may, therefore, upon the supposition of the continuance of the war, be stated as follows:

For the fiscal year 1863	276,912,517 66
For the fiscal year 1864 -	622,388,183 56
Making an aggregate of -	$899,300,701 22

A tabular statement is submitted with this report, and as part of it, exhibiting clearly the details of the receipts and expenditures of the financial years 1862, 1863 and 1864.

Another table is also submitted, in which may be seen of what particulars the existing debt consists, in what years it was contracted, and in what amounts it will become due.

The other tables required by law also accompany this report.

In order to the formation of sound opinions as to the measures required for meeting the demands disclosed by the estimates and yet unprovided for, it may useful to review, briefly, in connection with them, the actual and probable results, the measures already recommended and adopted or yet under legislative consideration.

With a view to the necessary provision for the expenditures then anticipated, the Secretary proposed to Congress, at its last session, such measures as seemed to him best adapted to the attainment of that object. These were (1st) an increase of duties on various imports; (2d) an increase of the direct tax; (3d) the levying of internal duties; (4th) a limited emission of United States notes, convertible into coin; (5th) the negotiation of loans, facilitated by the organization of banking associations, whose circulation should consist only of notes uniform in character, furnished by the Government and secured, as to convertibility into coin, by United States bonds deposited in the treasury.

At the time these recommendations were submitted, the banks had not suspended specie payments, and there was reason to believe that the amount of expenditure and effective military action would secure the means required for the suppression of the rebellion without serious sacrifices on the part of the Government, and without resort to any other currency than that of coin or its equivalent notes.

Unexpected delays, however, in increased expenditures and diminished confidence in public securities, made it impossible for the banks and capitalists, who had taken the previous loans, to dispose of the bonds held by them except at ruinous loss, and impossible for the Government to negotiate new loans of coin except at like or greater loss.

These conditions made a suspension of specie payments inevitable. The banks of New York suspended on the 30th of December, 1861. Their example was followed by most of the banks throughout the country, and the Government yielded to the same necessity in respect to the United States notes then in circulation.

These changes in circumstances required a change of measures. The expenditures had already reached an average of nearly a million and a quarter of dollars each secular day, while the revenue from all sources hardly exceeded the fourth of that sum. It was necessary, therefore, to raise by loans, in some form, about sixty days' expenditure, or sixty millions every month, or sixty millions every

are ill inquiring the ways and means required, the first $50,000,000 could be obtained the Secretary that better rates than a dollar and a half or eighty cents in money; and that each dollar or eighty would involve submission to increasing loan advantageous terms. To obtain the first $50,000,000 would require, therefore, an issue of bonds to the amount of $75,000,000, and, of course, an increase of the public debt by the same sum; the next $50,000,000 would require, perhaps, $80,000,000 in bonds and debt; and the next $50,000,000, if obtainable at all, would require, perhaps, $120,000 000. It was easy to see that, on this road, utter discredit and paralysis would soon be reached. The adoption of a plan of finance involving such consequences was not compatible with the Secretary's ideas of public duty.

There remained but one other possible way of raising money by the negotiation of bonds in the usual mode. That way was, to receive in payment of loans the notes or credits of the banks in suspension.

To ascertain what would have been the consequences of a resort to this expedient, it is necessary to remember that the bank circulation of the loyal States amounted, on the 1st day of Jan., 1861, to $150,000 000: that it had been reduced to $ 30 000,000 on the 1st day of January, 1862; and that this circulation was diffused throughout the country in all the channels of business. In these circumstances the collection by loans of sufficient amounts to meet the demands upon the treasury in season for prompt payments would be extremely difficult. The negotiation of such loans to the extent required by the public exigencies, would create a demand for the notes which would involve the necessity, at first, of sacrifices not greatly inferior to those attendant on coin loans. If subsequent negotiations should become practicable at seemingly better rates, it would be because the Government demand had stimulated the making and issuing of bank notes to an extent far beyond the ordinary needs of business. The increase of circulation thus stimulated would be unlimited, except by the possibility of obtaining interest on loans of it; or, in other words, by the possibility of obtaining credit for it with the community and the Government. This limit, certain to be finally reached by all banks improvidently managed, would not, however, be reached immediately, or at the same time by all institutions, or by the same rate of progress in all parts of the country. But an excessive circulation would surely be thrust upon the community, forming a currency everywhere, but irregularly depreciated, destined in part to become worthless, and certain to tax and derange, beyond measure, the business of the people, and to embarrass, if not arrest, the operations of the Government. Loans negotiated in this circulation would be simply exchanges of the debts of the nation, bearing interest and certain in part, never to be paid, for the debts of a multitude of corporations, bearing no interest and certain, in part, never to be paid.

This is but a partial representation of the consequences apprehended from the receipt of bank notes for loans to the Government. Their character made it impossible for the Secretary to recommend such negotiations, and wholly improbable that Congress would authorize them, if recommended.

No other mode of providing, with any tolerable degree of promptitude, for the wants of the army and navy, and the necessities of other branches of the public service, seemed likely to effect the object with so little public inconvenience and so considerable public advantage as the issue of United States notes adapted to circulation as money, and available, therefore, immediately in government payments.

It was not necessary that the Secretary should recommend this plan to Congress. In his report at the commencement of the session he had pointed out the inconveniences and dangers of a circulation of government notes, even though convertible into specie, and had dwelt especially on the probability that such a circulation would ultimately sink into an irredeemable paper currency. At that time he expected a continuance of specie payments, and hoped that a banking system would be authorized which would at once furnish a sound circulating medium and afford a firm support to the public credit. Neither the expectation nor the hope, however, had been realized; and a choice was now to be made between a currency furnished by numerous and unconnected banks in various States and a currency furnished by the government which the government could and would, except in a very improbable, not to say impossible, contingency, amply provide for and protect. With these alternatives before him, the Secretary had already declared his unhesitating preference for a circulation authorized and issued by national authority. But the enlightened senators and representatives who composed the financial committees of the respective houses required no new statement of his views on this subject. They saw clearly the necessities created by the suspension, and at once adopted the measure demanded by them. The Secretary, concurring entirely in their judgment, had no duty to perform except that of giving such information and such aid as they called for and he could supply.

An emission of $50,000,000 had been authorized by Congress at the July session, 1861, not with the design of furnishing a general currency, but for the purpose of making good any difference between the amount of loans obtained and the sums required by the public service. Of these notes $33,460,000 were in circulation at the time of the suspension. Up to that date every note presented for payment had been promptly redeemed in coin. After the suspension an additional emission of $10,000,000 was authorized on the 12th of last February. Both these issues, amounting together to $60,000,000, were made receivable for all public dues, including customs.

It now became the duty of Congress, not merely to provide the means of meeting the next demands to be framed by the several departments on the supposition of the continuance of the war—a supposition which, though very properly assumed as the basis of estimates intended to cover all contingencies, is not, it may be confidently hoped, destined to be realized. The estimates of receipts are based upon the operations of recently enacted laws, the working of which cannot be accurately foreseen.

The estimates of expenditures are as follows:

For the civil list, including foreign intercourse and miscellaneous expenses, other than on account of the public debt,	$25,081,510 08
For the Interior Department, Indians and Pensions, -	10,346,577 01
For the War Department, -	738,329,146 89
For the Navy Department, -	68,357,255 01
For interest on public debt,	33,513,890 50
For principal of public debt,	19,384,804 16
	895,413,183 56
To which sum should be added the expenditures for which appropriations made are estimated as remaining undrawn on the 1st July, 1863, -	200,000,000 00
Making the aggregate of expenditures to the 1st July, 1864, for which appropriations are made or asked, -	1,095,413,183 56
From which should be deducted the probable amount of appropriations which will remain undrawn on the 1st of July, 1864 - - - -	250,000,000 00
Making the true amount of probable expenditures during the fiscal year 1864 - -	845,413,183 56

The estimates of receipts are as follows:

From customs -	$70,000,000
From internal duties	150,000,000
From lands - -	25,000
From miscellaneous sources - -	3 000,000
Making the aggregate of receipts for the fiscal year 1864 to be deducted from the aggregate of expenditures - - -	223,025 000 00
And leaving the amount of expenditures of the fiscal year 1864 to be provided for	622,388,183 56

The whole amount to be provided by Congress, beyond resources available under existing laws, may, therefore, upon the supposition of the continuance of the war, be stated as follows:

For the fiscal year 1863	276,912,517 66
For the fiscal year 1864 -	622,388,183 56
Making an aggregate of -	$899,300,701 22

A tabular statement is submitted with this report, and as part of it, exhibiting clearly the details of the receipts and expenditures of the financial years 1862, 1863 and 1864.

Another table is also submitted, in which may be seen of what particulars the existing debt consists, in what years it was contracted, and in what amounts it will become due.

The other tables required by law also accompany this report.

In order to the formation of sound opinions as to the measures required for meeting the demands disclosed by the estimates and yet unprovided for, it may useful to review, briefly, in connection with them, the actual and probable results, the measures already recommended and adopted or yet under legislative consideration.

With a view to the necessary provision for the expenditures then anticipated, the Secretary proposed to Congress, at its last session, such measures as seemed to him best adapted to the attainment of that object. These were (1st) an increase of duties on various imports; (2d) an increase of the direct tax; (3d) the levying of internal duties; (4th) a limited emission of United States notes, convertible into coin; (5th) the negotiation of loans, facilitated by the organization of banking associations, whose circulation should consist only of notes uniform in character, furnished by the Government and secured, as to convertibility into coin, by United States bonds deposited in the treasury.

At the time these recommendations were submitted, the banks had not suspended specie payments, and there was reason to believe that the amount of expenditure and effective military action would secure the means required for the suppression of the rebellion without serious sacrifices on the part of the Government, and without resort to any other currency than that of coin or its equivalent notes.

Unexpected delays, however, increased expenditures and diminished confidence in public securities, made it impossible for the banks and capitalists, who had taken the previous loans, to dispose of the bonds held by them except at ruinous loss, and impossible for the Government to negotiate new loans of coin except at like or greater loss.

These conditions made a suspension of specie payments inevitable. The banks of New York suspended on the 30th of December, 1861. Their example was followed by most of the banks throughout the country, and the Government yielded to the same necessity in respect to the United States notes then in circulation.

These changes in circumstances required a change of measures. The expenditures had already reached an average of nearly a million and a quarter of dollars each secular day, while the revenue from all sources hardly exceeded the fourth of that sum. It was necessary, therefore, to raise by loans, in some form, about sixty days' expenditure, or sixty millions every month, or sixty millions every

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There remained but one other possible way of raising money by the negotiation of bonds in the usual mode. That way was, to receive in payment of loans the notes or credits of the banks in suspension.

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issue of fractional currency has reached the sum of $3,881,860. The best lights lead to the estimate that before specie payments can be returned not less than $10,000,000 will be required by the wants of the community. The sum of $96,115,240, not yet issued, may therefore be counted on as an additional resource. It is not easy to determine what further payments can be made in certificates of indebtedness, but it seems probable that payments in that form may be safely carried to the amount of $100,000,000. These payments have already reached $87,383,241 65, and the additional sum of $12,634,758 35 may therefore be paid in that way. What can be justly expected from conversions under the act authorizing the issue of five-twenty sixes, that is to say, from exchanges by holders of United States notes for these bonds, at par, cannot be stated with much certainty. The amount received from this source from the date of the act to the 1st instant, estimating for part of the last week in November, is $23,750,000. It may reasonably be expected that thirty-five millions will be received if the act remains unmodified, during the remainder of the fiscal year. The aggregate of all these sums, namely, $131,02',197 34, constitutes the total of resources available for the current year under existing laws, except through sales, regarded as impracticable under the act authorizing their issue, of the five twenties at their market value.

These credit resources, with the actual receipts from like sources, added to revenue in all forms, may supply the treasury with $511,646,259 96. There remains a balance of disbursements of $276,912,517 66 to be provided for.

How?

The easiest mode doubtless would be an issue of the required amount of United States notes, but such an issue especially in the absence of proper restrictions on corporate circulation, would, in the judgment of the Secretary, be as injurious as it would be easy. The addition of so vast a volume to the existing circulation would convert a currency, of which the benefits have thus far greatly outweighed the inconveniences, into a positive calamity. Its consequences would be vast diminution of exports, inflation of prices, increase of expenditures, augmentation of debt, and untimely, disastrous defeat of the very purposes sought to be attained by it.

To a certain extent, however, and under certain circumstances, a limited additional issue of United States notes may, perhaps, be safely and advantageously made.

The Secretary does not concur in the opinion entertained by some, whose ability and experience command deserved respect, that the aggregate currency of the country, composed of United States notes and notes of corporations is, at this moment, greatly in excess of legitimate demands for its employment. Much less does he concur in another opinion, not unfrequently expressed, but expressed in his judgment without due consideration, that any actual excess is due to the issues of United States notes already in circulation.

It is true that gold commands a premium in notes; in other words, that to purchase a given amount of gold a greater amount in notes is required. But it is also true that, on the suspension of specie payments and the substitution for coin of United States notes, convertible into six per cent. specie bonds as the legal standard of value gold became an article of commerce, subject to the ordinary fluctuations of supply and demand, and to the extraordinary fluctuations of mere speculation. The ignorant fears of foreign investers in national and State bonds and other American securities, and the timid alarms of numerous nervous individuals in our own country, prompted large sacrifices upon sales of public and corporate securities, heavy exports in our markets, and large purchases of coin for remittance abroad or hoarding at home. Taking advantage of these and other circumstances tending to an advance of gold, speculators employed all the arts of the market to stimulate the tendency and carry it to the highest point. This point was reached on the 15th day of October. Gold sold in the market at a premium of 37¼ per cent.

That this remarkable rise is not due wholly, or even in greatest part, to the increase of the paper which it will combine higher local and general credit than this. After a few years no other circulation would be used, nor could the issues of the national circulation be easily increased beyond the legitimate demands of business. Every dollar of circulation would represent real capital, actually invested in national stocks and the total amount issued could always be easily and quickly ascertained from the books of the treasury. These circumstances, if they might not wholly remove the temptation to excessive issues, would greatly reduce the risk of such issues, while the form of the notes, the uniformity of devices, the signatures of national officers, and the imprint of the national seal authenticating the declaration borne on each that it is secured by bonds which represent the faith and capital of the whole country, could not fail to make every note as good in any part of the world as the best known and best esteemed national securities.

The Secretary has already mentioned the support to public credit which may be expected from the proposed associations. The importance of this point may excuse some additional observations.

The organization proposed, if sanctioned by Congress, would require within a few years, for deposit as security for circulation, bonds of the United States to an amount not less than $250,000,000. It may well be expected indeed, since the circulation, by uniformity in credit and value, and capacity of quick and cheap transportation, will be likely to be used more extensively than any hitherto issued, that the demand for bonds will largely overpass this limit. Should Congress see fit to restrict the privilege of deposit of the bonds known as five twenties, authorized by the act of last session, the demand would promptly absorb all of that description already issued and make large room for more. A steady market for the bonds would thus be established and the negotiation of them greatly facilitated.

But it would in immediate results that the value of this supply would be only or chiefly seen. There are always those who desire to sell securities of whatever kind. Few or no years or uncertain, the market value must decline. Even the plan proposed would create a constant demand, equalling and often exceeding the supply. Thus a steady uniformity in price would be maintained, and generally at a rate somewhat above those of bonds of equal credit but not available to banking associations. It is not easy to appreciate the full benefits of such conditions to a government obliged to borrow.

Another advantage to be derived from such associations may be found in the convenient and economical facility they would furnish for the deposit of public money.

The Secretary does not propose to interfere with the independent treasury. It may be advantageously retained, with the assistant treasuries already established in the most important cities, where the customs may be collected as now, in coin or treasury notes issued directly by the Government, but not furnished to banking associations

branch mint in that city, and its machinery. The machinery proved to have been greatly injured, and portions of it were found distributed and secreted in various parts of the city. The portions were collected and replaced in the mint, and the necessary repairs are in progress. The operations of the branch mint, however, have not been, and for the present, at least, will not be, resumed.

By the act of April 24, last, a branch mint was directed to be established at Denver, in the Territory of Colorado, and an appropriation of $75,000 was made to carry the act into effect. A mint had already been established there by individuals engaged in assaying and stamping, on private account, the bullion produced in that region. A commission was appointed to ascertain and report as to the value of this establishment and the comparative expediency of purchasing it or erecting a new one; and, upon their recommendation, the existing mint, with all its apparatus, was purchased for $25,000.

The secretary respectfully commends to the consideration of Congress the expediency of establishing an assay office or branch mint at some convenient point in the Territory.

In his last report the Secretary took occasion to invite the attention of Congress to the importance of uniform weights, measures, and coins, and to the worth of the decimal system in the commerce of the world. He now ventures to suggest that the present demonetization of gold may well be availed of for the purpose of taking one considerable step towards these great ends. If the half eagle of the Union be made of equal weight and fineness with the gold sovereign of Great Britain, no sensible injury could possibly arise from the change; while on the resumption of specie payment, its great advantages would be felt in the equalization of exchanges and the convenience of commerce. This act of the United States, moreover, might be followed by the adoption by Great Britain of the federal decimal divisions of the coin, and thus a most important advance might be secured towards an international coinage, with values decimally expressed.

Under the provisions of the several acts of Congress relative to trade and commerce between the loyal States and those States and parts of States declared to be in insurrection, general regulations have been issued, prescribing the conditions under which that trade and commerce, to a limited extent, may be conducted. This trade has been authorized only with sections of the country in which, since the proclamation of the President, the authority of the government has been re-established by military occupancy. No licenses or permits have been granted for commerce with inhabitants of insurrectionary districts beyond the limits of such occupancy. Under the provisions of the fifth section of the act of July 13, 1861, special agents have been appointed, whose duty has been to carry out the authorized instructions of the department, and it is anticipated that the expenses of their agency will be defrayed from moderate charges for permits granted under their supervision.

The collection of cotton and rice, and other abandoned property, and the superintendence of laborers and plantations which, at the date of my last report, was committed to agents of this department, has since been transferred, as more properly belonging to this department, to the control of the Secretary of War.

During the last session the Secretary had the honor to transmit the draft of a bill intended by its provisions to detect and prevent fraudulent entries at the custom-houses, and he adheres to the opinion that the provisions therein embodied are necessary for the protection of the revenue. That invoices representing fraudulent valuations of merchandise are daily presented to the custom-houses is well known, and for the past year the collector, naval officer, and surveyor of New York have entertained suspicions that fraudulent collusions with persons employed in the custom-house existed. Measures were taken by them to ascertain whether their suspicions were well founded. By persistent vigilance facts were developed which have led to the arrest of several parties and the ascertainment that a system of fraud has been successfully carried on for a series of years. These investigations are now being prosecuted under the immediate direction of the Solicitor of the Treasury for the purpose of ascertaining the extent of those frauds and bringing the guilty parties to punishment. It is believed that the enactment at the last session of the bill referred to would have arrested, and that its enactment now will prevent hereafter, the frauds hitherto successfully practiced.

The increased and increasing labors and responsibilities devolved upon the collector at New York suggest the expediency of appointing an additional officer as that port to be denominated the assistant collector, and authorized to act for the collector during his necessary absence, and to perform such other duties as may be prescribed or approved by the Secretary of the Treasury. Provision should be made that his authentication of any lawful document shall entitle it to the same effect in the courts as if otherwise as the signature of the collector, and that his acts shall not impair the responsibility of the collector, or of his sureties, to the government.

The Exchange building in the city of New York, leased for three years for use as a custom-house, has been altered, and for some time partially occupied. The complete removal to it of the custom officers will soon be accomplished. The whole of the old custom house building will be required by the assistant treasurer; and it will be necessary, therefore, either to purchase the rented building or to erect another for custom-house purposes. It is believed that it would be impossible to purchase an equally eligible site and erect an equally suitable edifice for the price fixed in the lease of the Exchange; and it is, therefore, recommended that the option to purchase at that price be availed of.

The administration of the hospital fund has been looked to with great care, and the expense of its distribution, it is believed, reduced to the most economical point. As has been before reported, the number of hospitals is in excess of the legitimate requirements of the seamen, and the Secretary repeats his recommendation of December last, that those least advantageously situated be disposed of on the most favorable terms. During the past year all the hospitals under the control of this department have, in whole or in part, been placed at the disposal of the War Department for the use of sick and disabled soldiers. This use, not originally contemplated, has been most opportune and beneficial.

Under the act authorizing payments in stamps an arrangement was made with the Postmaster General for a supply of postage stamps to be distributed for use in such payments. It was soon discovered, however, that stamps prepared for postage uses were not adapted to the purposes of currency. Small notes of equal amounts were, therefore, substituted, and the Secretary assumed the charge of preparation and distribution. With the utmost efforts it was found impossible to keep pace with the public demand for this currency; and, although the daily issue has been rapidly increased to $ 0,000 and is being extended as fast as practicable to twice that amount, the supply is yet largely deficient. The whole demand, however, will be fully met as soon as possible.

With a view to test the practicability and economy of engraving and printing United States notes at the department under the act of July 11, 1862, the Secretary has contracted for paper, and has authorized the preparation of small notes as substitutes for revenue stamps, substantially like the small notes now substituted for postage stamps, and indulges the hope that the results will commend his action to the approval of Congress, and that the necessary models and the provisions relating to stamps and engraving will receive its sanction.

Some difficulties have been encountered in the practical execution of the act of the last session, directing the monthly instead of quarterly redistribution of disbursing officers' accounts, and then direct transmission to the accounting officers of the treasury, without preliminary examination by the chiefs of the administrative bureaus; and these difficulties, though not insuperable, may require some further legislation for their removal. But the reform sought by the act is important, and the purpose of accomplishing it should not be relinquished.

Statements in detail of the operations of the department will be found in the reports of the head of the several bureaus, and to whom the Secretary gladly acknowledges his obligations for most faithful and arduous labors, by which the multiform business under his charge, augmented tenfold in consequence of the insurrection, has been carried on with a degree of success hardly believed to be attainable. The unprecedented increase in the volume and variety of accounts must necessarily require more clerical force and more room in order to the prompt settlement indispensably necessary to the protection of honest creditors, and to the security of the government from fraud. These great objects, it is believed, may also be promoted by a modification of the existing arrangement of the bureaus, so as to bring all the accounts of each department into one bureau instead of dividing them between several, as is now directed.

The Bureau of Internal Revenue has been organized under the act of last session, and is now actually engaged in the labors assigned to it. Collectors and assessors have been appointed in all the districts of the loyal States, and the revenue from the duties imposed by the law is steadily and rapidly increasing. In the absence of any statutory directions, he has assigned the settlement of the accounts of the bureau to the Fifth Auditor and First Comptroller.

The Secretary invites particular attention to the remarks of the Third Auditor relative to payments for property lost or destroyed in the military service. He also respectfully suggests that authority be given to the Secretary to appoint commissioners to examine and audit the claims of the several States now referred to that office for settlement.

The honorable consideration of Congress is respectfully invited to the requests of the Treasurer and of the Register for the appointment of a deputy in each of their bureaus. Of the necessity for such appointments no doubt is entertained.

The action of the supervising inspectors of steamboats, collectively as a Board, and individually in their respective districts, merits the approval of Congress. Their report, to which the Secretary invites attention, gives evidence of the value of their labors, while the comparative immunity from accidents secured by their vigilance stress the wisdom of the act under which their work is prosecuted.

The regulations directing the examination of applicants for appointment in the revenue cutter service, and making certificates of competency from the Board of Examiners prerequisites to commissions, tend manifestly to the improvement of the service, and will be adhered to. This service has become an essential arm of the Department in the execution of the laws. Its highest vigor and activity will especially be required as long as the present high rates of duty shall be required by the exigencies of the country. The Secretary hopes to be able to place it on a footing of the utmost efficiency, without permitting its cost to exceed appropriations already made. The great demand by other departments for shipwrights and machinery has not as yet, permitted advantageous contracts for the additional revenue steamers authorized by Congress. Careful specifications, however, have been prepared, and the work will be proceeded with as soon as practicable.

Full details of the operations of the Coast Survey will appear in the report of the Superintendent.

The services, by which its great value was strikingly illustrated during the earlier months of the rebellion, have been continued with undiminished zeal and fidelity to the present time, and its general work has been promoted with as much activity and success as the peculiar demands made upon it by the circumstances of the country would allow.

Within the year, 43 000 copies of maps and charts have been furnished for naval vessels, and 2000 to captains and pilots of government transports, on their personal application.

It is accustomed vigilant superintendence has been exercised by the Light-house Board over the light-houses, light-ships, beacons, and buoys on the northern and Pacific coasts, and especial attention has been directed to the restoration of those destroyed by the rebel enemies of the country. Numerous lights and beacons have been re-established on the coast of the insurgent region, and the re-establishment of others will keep pace with the progress of the fleets and armies of the republic. A confident expectation is indulged that along the whole coast will soon shine the old unbroken chain of lights for the guidance of the mariner and the security of commerce.

All of which is most respectfully submitted to the indulgent consideration of Congress.

S. P. CHASE,
Secretary of the Treasury.

THE DOLLAR NEWSPAPER.

PHILADELPHIA:

Wednesday Morning, December 10, 1862.

Terms of "The Dollar Newspaper."
Payable Invariably in Advance.

To Single Subscribers, one year	$1 00
Club of Six	5 00
Club of Thirteen	10 00
Club of Twenty, and one to getter up of Club	15 00
Club of Eighty, and one to getter up of Club	60 00
Club of One Hundred, and one to getter up of Club	75 00

No subscription for less than one year will be received. The "Newspaper" is always discontinued at the expiration of the time for which it is paid.

TO READERS AND WRITERS.

"THE VOLUNTEER TO EVA" we have filed for publication.

"KENTUCKY," and "THAT NAME," by L'Inconnu, are accepted.

"OUR HOME," "YOUTH VS. AGE," "GO IT BLIND" and accompanying communications are all at hand and will be disposed of according to their respective merits.

GENERAL HALLECK'S

Report to the War Department gives the correspondence between General McClellan and the Commander-in-Chief upon the removal of the army from the Peninsula. According to the correspondence Gen. McClellan, after the change of base to the James River, desired reinforcements for the purpose of enabling him to advance upon Richmond, believing that it could be more effectively accomplished from that direction than from any other. General Halleck differed with General McClellan, and feared that Washington would be in danger if reinforcements should be sent from Fredericksburg. He desired a new base to be established at Fredericksburg, and the advance to be made from that quarter. The candid reader, we think, will admit that Gen. McClellan gives some excellent reasons for making the James River the way to approach Richmond, and the subsequent events which followed the unfortunate removal of his army from the Peninsula, the defeat of Pope, the fright in Washington and the raid into Maryland, all prove that the military judgment which ordered the removal was either greatly mistaken in the expected results, or that the work was most wretchedly managed in its execution. The difficulties since experienced in making Fredericksburg a base for Burnside's movements, give additional force to McClellan's arguments. He seems to have better comprehended the situation than the department at Washington, and if he had been reinforced as desired, we believe that Richmond would by this time have been captured. There is nothing in Gen. Halleck's report, we think, which is likely to impress the public mind differently.

RUMORS OF PEACE PROPOSITIONS

The N. Y. Tribune has a despatch from Washington of reported peace propositions, evidently concocted out of Fernando Wood's recent speech. The writer pretends to know what propositions the rebels verbally made to Dr. Barney, a citizen of Baltimore, recently taken prisoner by the rebels and released with the olive branch. The Southerners told him they would consent to no terms, that if not admitted into the Union again as equals, they would not come in at all. What they ask is the granting of an amnesty to all the military and civil leaders of the rebellion, so that an election for members of Congress can be made during the coming winter, and that body be called together at least as early as April. The President declined to consider the proposition, and now the matter is to be brought before the country at as early a period as possible, so as to create a public opinion in favor of the amnesty. It has also been laid before the various representatives of the foreign powers at Washington, and they state—so Dr. Barney says—that the refusal to grant an amnesty, so as to bring about an eventual restoration of the Union, would set the whole world against Mr. Lincoln, and lead almost immediately to some action on the part of France, either to recognize the South or break the blockade, or both. This is the substance of the whole story, which is hardly worth occupying space to republish.

PUBLIC OFFICERS.

Congress seems to be liberally disposed towards its public officers. Last July it passed an act suspending the operation of the law to prevent and punish fraud on the part of officers engaged in making contracts for the Government, the effect of which suspension is to prevent any prosecution until January, 1863, of public officers who may cheat the Government in this way. Mr. Stevens now proposes to exempt from punishment or liability in any form, all the public officers who have been engaged in making illegal arrests, the effect of which will be to legalize such outrageous cases as the arrest by Kennedy of Mrs. Brinsmade. Such legislation as this seems to be made for the advantage of rogues and oppressors in office, who abuse their trusts to gratify their private feelings. Such acts as these become precedents in legislation, and as each party becomes predominant, it will clear its own skirts of all accountability for its wrongs by just such legislation. Congress had better seek to secure the Government against frauds in contracts, and endeavor to give better protection to the personal liberty of the citizen, by making his arrest without accusation and warrant a crime, than to pass laws of entire exemption covering cases of manifest wrong and outrage.

ARMY MOVEMENTS.

The reports from Falmouth speak of a battle as imminent at Fredericksburg. The signs do not look so imminent as the reports represent. There are difficulties in the way of an advance at Fredericksburg, which look as if they will hold the army there some time longer. In the meantime there are indications of activity in other quarters. In Gen. Dix's Department, there has been a successful movement from Suffolk against the rebels, and a battery captured some time ago by the rebels has been re-captured by our men. The rebels were driven across the Blackwater. This portion of the army keeps very actively employed in making reconnoissances into the surrounding country. From the army of the Southwest, the news is that it is still advancing, and on the 1st inst it occupied the rebel position on the Tallahatchie, some fifteen or twenty miles below Holly Springs, the rebels retreating as our troops advanced. The military movements in this part of the country are becoming as interesting as those on the Rappahannock, and will probably have quite as important a bearing upon the rebellion.

HALLECK'S REPORT.—General Halleck attempts to fix upon McClellan the responsibility of the failure of Halleck's plan to re-unite the armies at Fredericksburg, and the subsequent defeat of Pope. If McClellan's delays were the causes of this disaster, General Halleck must have known that fact before he had General McClellan replaced in command to repair Pope's disaster. It certainly will not increase public confidence in General Halleck's military judgment, to find him immediately after that disaster, recommending General McClellan as the proper person to repair it, by taking full command of the broken and demoralized army. This inconsistency does not appear to be explained in the long report of the Commander-in-Chief.

THE PAYMENT OF THE SOLDIERS.—Congress is talking of increasing the pay of the private soldiers. What is more to the purpose is to pay them what is owed to them. Some of the soldiers have not been paid for the last five months, and the Government should no more break its faith with its soldiers than with any other of its creditors. Thousands of the troops have families at home who are in daily need of the monthly pay, and are put to great straits for want of it. Those who have no families and who put their earnings into the saving funds, of course lose the interest, which they are just as much entitled to as those who hold the bonds of the Government.

WASHINGTON'S WILL STOLEN AND SOLD.—It appears by a statement made at a meeting of the New York Historical Society, that the will of Washington was stolen on the advance of the army into Virginia, and has since been sold to the British Museum. It was the last production of his pen, having been written exclusively by Washington. It was deposited in the Fairfax court-house, and was stolen by a soldier, and has found its way, notwithstanding the general announcement of the theft, into the curiosity shop of the British, where it will doubtless remain, unless efforts are made to have it restored.

CONGRESSIONAL.

SENATE.

In the Senate, on *Tuesday*, a resolution was offered by Mr. Grimes, of Iowa, and adopted, calling upon the Secretary of the Navy for information regarding the acceptance of the title to League Island. Mr. Powell, of Kentucky, offered a resolution, which was laid over, asking for information relative to the arrest and confinement of citizens of Kentucky. A resolution was offered by Mr. McDougal, of California, and laid over, asking for information relative to money paid for prosecuting land titles in California, and for searches in Mexico. Mr. Powell, of Kentucky, offered a joint resolution, denouncing arbitrary arrests, and declaring that they shall not be made henceforth. It was laid over. Mr. Davis, of Kentucky, offered a joint resolution, recommending the choice of delegates to meet in convention at Louisville on the first Monday in April next, to take into consideration the present condition of the country, and the proper means to be pursued for restoring the Union, and that the Legislatures of the different States take such action as they may deem fit for the purpose, at the earliest possible date. This was also laid over, and the Senate then adjourned.

On *Wednesday*, a resolution was adopted making inquiries of the Secretary of War relative to the purchase of land in Portsmouth harbor. The Standing Committees of last session were continued, with a few changes. Mr. Saulsbury, of Delaware, offered a resolution, which was laid over, calling upon the Secretary of War for information relative to the arrest of several citizens of Delaware. The Committee on Patents was instructed to inquire into the expediency of abolishing the Department of Agriculture. A resolution was adopted directing the Committee on Public Affairs to inquire into the expediency of reporting a bill indemnifying the people of Minnesota for the outrages of the Indians. The Secretary of War was requested to furnish information regarding the sale of free men into slavery by the rebels. The Committee on Military Affairs was directed to consider the expediency of organizing an ambulance corps in the army. Mr. Hale gave notice of a bill to repeal the act establishing and equalizing the grades of officers in the navy. The Senate then went into executive session and subsequently adjourned.

On *Thursday*, a resolution was adopted with the view of bringing all appointments in the volunteer navy to the Senate for confirmation. Also, one instructing the Committee on Military Affairs to report upon the expediency of discharging all soldiers from the service in the States where they were enlisted. A resolution to refer so much of the President's message as related to compensated emancipation to a select committee was laid over. A joint resolution approving of the policy of the President in setting free the slaves in the insurrectionary districts was ordered to be printed. Also, one requesting the President, if compatible with the public interests, to communicate to the Senate all correspondence, etc., having reference to the Army of the Potomac and the surrender of Harper's Ferry. The death of Senator Thompson was announced. Adjourned.

In the Senate, on *Friday*, Mr. Wilkinson made a vigorous appeal for justice in the case of the Minnesota massacre, and related atrocities committed by the Indian fiends, which are almost too sickening to mention. Mr. Sumner urged that an air-line railroad be established from Washington to New York, to carry the mails of the United States with certainty and despatch, free from all local impediments. Resolution adopted. Mr. Powell's resolution of inquiry as to the arbitrary arrest of citizens of Kentucky was finally adopted, subject to the proviso that such inquiry be not incompatible with the public interest. The Senate adjourned until Monday.

HOUSE OF REPRESENTATIVES.

In the House, on *Tuesday*, a bill was reported from the Committee of Ways and Means, and passed, providing that all judgments recovered in suits for the recovery of duties on imports shall be payable in gold and silver coin of the United States. A resolution was adopted instructing the Military Committee to report as to the propriety of increasing the pay of soldiers to $15 per month, and of reducing the salaries of officers not actively engaged. Mr. Richardson, of Illinois, offered a resolution requiring the pay of each non-commissioned officer and private to be given in gold and silver, but it was objected to and not entertained. A resolution was adopted calling upon the Secretary of the Navy for information regarding the appointment of midshipmen. A resolution was adopted instructing the Committee of Ways and Means to inquire into the expediency of repealing so much of the Customs laws as provides for the distribution of penalties among officers of Customs and others. The Committee of Ways and Means was also instructed to report as to the propriety of admitting cotton from foreign countries free of duty. The Committee on Public Expenditure was instructed to report what reductions can be made in the expenses of the General Land office. Mr. Cox, of Ohio, proposed to introduce a resolution looking to a reduction of the tax on whisky, but it was objected to. A bill annulling and abrogating all treaties between the United States and certain bands of Sioux Indians, and for the relief of the sufferers by the recent Indian outrages, was introduced by Mr. Aldrich, of Minnesota. The House then adjourned.

On *Wednesday*, a resolution was adopted calling upon the Commissioner of Patents for information regarding the expenditure of the Agricultural fund. A resolution was adopted instructing the Military Committee to inquire into the expediency of reporting a bill providing that volunteers who have been or may hereafter be honorably discharged on account of wounds or other disabilities, may receive such part of the bounty of one hundred dollars as shall be proportioned to the time of actual service. The House adjourned soon after 12 o'clock.

On *Thursday*, a bill was introduced to grant the proceeds of the sales of certain public lands to aid the construction of the Northern Pacific railroad. Also, a resolution calling for information with regard to the office and functions of the Military Governor of the District of Columbia. Also, one looking to a better system of providing for sick and wounded soldiers. One instructing the Committee on Military Affairs to report upon the expediency of abolishing the Military Academy at West Point, and instead thereof to aid in the endowment of similar institutions in the States. Also, one declaring it a crime for any officer of the government to propose or endorse the acceptance of peace on any other basis than the restoration of the Union.

On *Friday*, Mr. Stevens introduced a bill indemnifying the President, and all concerned with him, for suspending the *habeas corpus*, and for all acts done in consequence thereof. The second section of the bill provides that the President be empowered to suspend the *habeas corpus* at any time during the continuance of the war that he may see fit. Consideration of the bill was postponed, as the requisite preliminary notice had not been given. Mr. Fenton stimulated the Committee on Military Affairs to inquire whether sick and wounded soldiers may not be more speedily sent to their homes to recover. Mr. Morrill offered a resolution, the substance of which was that we were never stronger than we are now, and that it behooves every loyal man to strike the assassins at once who have conspired to destroy our existence, prosperity and freedom." The resolution was agreed to with but one negative vote, that of Mr. William J. Allen. Mr. Cox afterwards endeavored to get the House to construe the word "assassins" to mean all, North or South, who have been instrumental in producing the present war, and have been guilty of flagrant breaches of the Constitution, and who are not in favor of the Constitution as it is and the Union as it was," but failed. Mr. Vallandigham offered a series of resolutions antagonistic in their spirit to the radical programme, which were tabled by a vote of 75 against 50. Mr. Allen failed to obtain leave to offer a resolution of inquiry as to "the alleged right of the United States Government to set at defiance the Constitution, laws and sentiments of the people of Illinois, in importing negroes into that State."

AMUSEMENTS.

Mr. and Mrs. E. L. Davenport continue their engagement at the Walnut to good houses. They performed last week in spectacular melodrama. This week they are announced in the legitimate, in which both appear to so much advantage.

Mr. J. S. Clarke, so mirth-provoking in his low comedy, will continue his engagement through the present week. The same crowded houses attend him.

The *Circus*, at National Hall, Market street, Carncross & Dixey, at the Eleventh Street *Opera House*, and Abel & Co.'s *Stereopticon*, at the Assembly Building, are all commanding attractions.

We are to have the Opera at our Academy of Music, on the 17th inst., and we venture the assertion that it will be one of the most successful opera seasons ever known in Philadelphia.

John B. Gough is lecturing this week at the Academy of Music for the benefit of the fund for the relief of disabled soldiers.

The new *Chesnut Street Theatre* will open about the last of this month, with Mr. E. Forrest.

☞ There were 212 deaths in this city in the week ending on Saturday last, of which 126 were adults and 92 children. There were 39 from consumption of the lungs; 9 from convulsions; 7 from diptheria; 8 from diarrhœa; 17 from debility; 12 from typhoid fever; 15 from inflammation of the lungs; 7 from marasmus. Deaths and interments of soldiers in this city, 18.

☞ The drafted men in Pennsylvania have been ordered to the seat of war, and preparations are making to furnish them for an early start.

THE LATEST NEWS.

BY TELEGRAPH.

Thirty-seventh Congress—Second Session.

WASHINGTON, Dec. 8, 1862.

SENATE.—Messrs. Foster, Sumner, Dixon, Latham, Fessenden, Grimes and King, severally presented petitions in favor of a general bankrupt act.

Mr. Hale, of New Hampshire, presented a petition, protesting against the action of the Advisory Board of the Navy. He also gave notice that he should introduce a bill to abolish the grade of Medical Officers in the Navy.

Mr. Nesmith, of Oregon, offered a resolution, instructing the Secretary of War to report to the Senate the number and rank of the Aides-de-Camp appointed under the act of Congress, 1861, and also the number and rank of those appointed drawing pay and not in active service. He said that according to his estimate there were about fifty Colonels, thirty-four Lieut. Colonels, two hundred and twenty-one Captains, drawing pay and not in active service, drawing in the aggregate pay of $ 3 230 per month, and $155 760 per annum. The country is full of them. He knew one colonel who was practising law; another running a saw mill, and another keeping a lager beer shop, and many others campaigning about hotels and drawing money from the Treasury. The resolution was adopted.

Mr. Wilson, of Mass., offered a resolution, instructing the Secretary of War to report to the Senate the number of Major-Generals and Brigadier Generals now in the service, and how they are employed. Adopted.

Mr. Saulsbury, of Delaware, called up the resolution relating to the arrest of certain citizens of Delaware.

Mr. Wilson, of Mass., objected to the resolution. He said there might have been some mistakes in these arrests, but there were many more men who ought to have been arrested, than who really have.

Mr. Bayard, of Delaware, thought that this Government was especially valuable from its protection to citizens, yet in no other free government was the citizen liable to arrest at the discretion of any and every officer. He urged the adoption of the resolution at some length.

Mr. Doolittle, of Wisconsin, said he understood that in all these cases of arrest, the offer of liberty had been made if the persons arrested would take the oath of allegiance, but it had been refused. There had been complaints made that the Government had been too lenient, and that many who had been simply imprisoned had not been hung or shot. He would like the resolutions to lay over.

Mr. Saulsbury said he had referred to these two persons because they had never heard any charge against them. They had been arrested in a loyal State and for no offence whatever. Peaceable citizens in Delaware and Maryland had been arrested and dragged from their homes, and he thought they had at least a right to inquire into the matter. There was no disposition to oppose the Government at all.

After further discussion the Chair announced the special order to be the Bankrupt Act, which was informally laid aside.

Mr. Davis, of Kentucky, offered a joint resolution proposing certain amendments to the Constitution to alter the mode of the election of President and Vice President of the United States, which amendments were ordered to be printed.

The Bankrupt bill was then taken up, and read at length.

On motion of Mr. Foster, of Coun., it was made the special order for the 18th inst.

The Senate went into Executive session, after which it adjourned.

HOUSE.—Mr. Stevens, Pa., introduced a bill to indemnify the President and other persons for suspending the privileges of the writ of habeas corpus, and acts done in pursuance thereof, as follows:—

Whereas, on the 4th of March, 1861, some of the United States were in insurrection, and a rebellious condition of the public safety required the privilege of the writ of habeas corpus to be suspended, and several arrests and imprisonments made in consequence thereof.

And whereas, there is not entire unanimity in the branches of this Government as to the right of declaring of such a suspension of the writ.

Therefore be it enacted, That all such suspensions, arrests and imprisonments, by whomsoever caused to be made, shall be confirmed and made valid, and the President, Secretaries and Heads of Departments, all concerned, or advising such acts, are hereby indemnified and discharged in respect thereof; and all indictments, informations, suits, prosecutions and proceedings whatever, commenced or to be commenced against the President, or any other person are hereby discharged and made void.

The second section requires that during the existence of the rebellion the President shall be and is invested with power to declare a suspension of the writ of *habeas corpus* at such times and in regard to such persons as, in his judgment, the public safety may require.

Mr. Vallandigham, of Ohio, objected to the second reading of the bill; therefore, under the rule, the question occurred, "Shall the bill be rejected?"

The House refused to reject it by a vote of 34 yeas against 90 nays.

The bill was then read a second time.

Mr. Stevens moved to postpone the bill till next Thursday, and make it the special order of that day.

Mr. Vallandigham objected to making it the special order.

Mr. Cox, of Ohio, desired to refer it to the Judiciary Committee.

Mr. Stevens then asked that the bill be put on its passage.

The main question was then ordered. Yeas 83, nays 47.

Mr. Olin, of N. Y., expressed his surprise that any objection should be made to the postponement of the bill, when an opportunity for its discussion would be afforded. If it was postponed till next Thursday it could be examined with the care and wisdom which the House should bring upon so important a subject. What he objected to especially was that a measure of such great importance, and upon which there was a diversity of opinion, should be hurriedly thrust through the House. The President had authority by law to exercise all the power he had exercised in regard to the writ of *habeas corpus*. He concurred with the gentleman from Pa. (Mr. Stevens) that a bill of this character was proper. But while he thus concurred, he should regret if the bill was hurried through the House without, probably, ten members knowing its legal provisions. It was discreditable to the House and the country, and he should feel ashamed to return to his constituents and say that Congress had passed an act without permitting a word to be or may to be said on the subject. He hoped, for the credit of the House and the country, that the matter would be postponed. For himself, he was ready to meet the question at any time.

Mr. Vallandigham, of Ohio, said he had objected only to the bill being made a special order.

Mr. Olin replied—I did not say you had made any other objection.

Mr. Colfax, of Indiana, differed from Mr. Olin. He did not think the immediate passage of the bill would be discreditable to the House. Instead of this, it would be creditable. The question had been discussed all over the land as to whether the President had the power to suspend the privileges of the writ of *habeas corpus* during the rebellion. He stood ready to vote for the bill to indemnify him, and hoped it would pass at once.

Mr. Stevens was about addressing the House on the subject, when

Mr. Vallandigham raised the question that Mr. Stevens had no right, under the rule to do so.

Mr. Stevens asked that he might be allowed three minutes to explain.

Mr. Vallandigham objected, unless others should have a similar privilege.

Mr. Holman, of Indiana, moved to lay the bill on the table. Not agreed to. Yeas 45; nays 88.

The passage of the bill was then further debated by Messrs. Stevens of Pa., Cox of Ohio, and Allen of Illinois; and it was finally carried, under the operation of the previous question. Yeas 90—nays 45. Adjourned.

The Virginia Legislature.

SENATOR CARLILE CALLED ON TO RESIGN—THE GOVERNOR'S MESSAGE—ENDORSEMENT OF THE EMANCIPATION POLICY.

WHEELING, VA., Dec. 6.—The Senate to-day passed a preamble and resolution setting forth that U. S. Senator Carlile had violated the instructions of the body that elected him, in failing to sustain the legitimate efforts of the Government to suppress the insurrection, in opposing by his votes and speeches, both in and out of the U. S. Senate, measures which were absolutely necessary to the preservation of the Union and enforcement of the laws, and in opposing the admission of Western Virginia as a new State into the Union. The resolution requested Mr. Carlile to resign his seat in the U. S. Senate. It will come up in the House on Monday, and pass by a large majority.

In the House to-day, a resolution was offered requesting the U. S. House of Representatives to pass the new State bill now pending before it, without alteration or amendment. It will come up on Monday, and pass by nearly an unanimous vote.

The Governor's message, which was sent into the Legislature to-day, endorses the emancipation policy of the President.

From the Army of the Potomac.

INTENSE COLD—THE TROOPS SUFFERING FOR BLANKETS—ICE ON THE RIVERS—JACKSON AT FREDERICKSBURG—THE PONTOON BRIDGE.

HEAD-QUARTERS ARMY OF THE POTOMAC, Dec. 7.—Last night the weather was intensely cold and some of the troops suffered for want of blankets. Ice formed on the Potomac and Aquia Creek from 1½ to 2 inches thick to-day. The sun came out fair and cheering, but the air continues freezing. The roads are hard and very rough.

Officers well informed state that Jackson has arrived near Fredericksburg, and joined his forces with those already there. They also report that the enemy have extended their lines several miles further down the Rappahannock.

The report that Major Spaulding, of the Engineer Brigade, is under arrest for unnecessary delay in the transportation of the pontoon train from Washington, is unfounded. That officer has been commended by his superiors for overcoming weighty obstacles in executing his orders.

The War in Arkansas.

THE REBELS ATTACK GEN. BLUNT IN FORCE—THEY ARE REPULSED TWICE.

ST. LOUIS, Dec. 7.—Advices from the Southwest, received here to-night, say that the enemy, under Generals Hindman and Marmaduke, 25, 00 strong, attempted to force Gen. Blunt's position at Cane Hill, Ark., yesterday, but were driven back.

This morning they drove in the picket of General Blunt's command, a distance of three miles; but on the arrival of reinforcements were again repulsed.

General Blunt is of the opinion that this demonstration of the enemy is made to cover their retreat as they were felling timber all night, probably for the purpose of obstructing the road and preventing pursuit.

General Blunt has held the army in check for four days. General Heron's command will reinforce him to-morrow.

Gen. Geary Occupies Winchester.

125 REBELS CAPTURED—75 CONSCRIPTS RELEASED.

NEW YORK, Dec. 7.—Special Harper's Ferry despatches state that General Geary, with 3,300 infantry, 12 pieces of artillery and 50 cavalry, marched upon Winchester, on the 3d inst., and demanded its surrender, which was complied with—the people exhibiting many signs of joy at his arrival. He reports to General Slocum, having left Harper's Ferry on the 1st, met the enemy's cavalry, under White, Henderson and Bayler, at Charlestown, routing them with much loss in wounded. He marched into Berryville the same evening, again met the enemy, drew them into a trap, killed five and wounded eighteen. The same evening he bivouacked three miles beyond Berryville. The next day he advanced beyond the Opequam, skirmishing with the rebel cavalry and infantry and bivouacked in Ash Hollow between Berryville and Winchester.

Our troops captured 100 horses and mules, and several wagon loads of flour belonging to the rebel army. At Winchester 125 rebels, unable to escape, were paroled; 75 rebel conscripts claimed protection, which was granted, and 5 Union prisoners were released.

General Geary, in pursuance of orders, then returned to Harper's Ferry, the high large deputations of the citizens begged him to remain.

Our only loss was one man slightly wounded.

From Fortress Monroe.

FORTRESS MONROE, Dec. 5.—To-morrow, Gen Viele, as Military Governor, will issue a proclamation and a writ of election for a member of Congress from this district, comprising the counties of Norfolk, Princess Anne, Nansemond and Isle of Wight, with the cities of Norfolk and Portsmouth. A large vote will be polled, as the residents are anxious to save their slave property from the effects of the President's proclamation, by conforming with its requirements.

It is known that Hon Jos. Segur has succeeded in having his district (the counties of) Northampton, Accomac, Charles City, Elizabeth City and Warwick, exempted by the President from the effect of his late proclamation.

A heavy storm has been raging here all day.

An Expedition from Port Royal.

FORTRESS MONROE, Dec. 8.—The Richmond papers of Saturday say:

"Official despatches from General Walker, at Pocotaligo, say that a fleet of twenty vessels sailed on Friday last from Hilton Head. Georgetown or Wilmington is the point aimed at. Our troops were everywhere put under marching orders to be ready for a move at the shortest notice. Several large vessels passed Charleston harbor on Sunday, going southward. It is thought that they have gone to aid the Gulf squadron in an attack on Mobile. Five additional vessels were off Charleston bar on Sunday, and six blockaders off Stono Point."

The Richmond Despatch says: "The reports received from Fredericksburg yesterday indicate that some severe fighting occurred in the neighborhood of Port Royal yesterday morning, but with what result could not be learned. The general aspect of affairs is represented to indicate a battle. The columns of the enemy have been moved to the front, and much activity is observable along their lines."

From Tennessee.

A UNION BRIGADE DEFEATED AND CAPTURED AT HARTSVILLE—REPULSE OF THE REBELS AT GALLATIN.

NASHVILLE, Dec 7.—[Special to the Press.]—I have just learned that a battle has taken place on our outpost line, between our advanced forces and the rebel troops, under Gen. John Morgan, the notorious guerrilla leader. The fight took place at Hartsville, this morning. Colonel Moore's brigade was repulsed several times by the enemy, and finally captured. Our troops made a desperate resistance, but were finally forced to succumb. Our loss in killed and wounded is estimated at sixty, but may be more. Our killed and wounded were left upon the battle-field.

Morgan attacked Gen. Fry this afternoon, at Gallatin, but was repulsed, with heavy loss. Gen. Fry has been reinforced, and is now following the enemy closely.

General Buell and staff arrived here this morning.

Important—The War in the Southwest.

OCCUPATION OF GRENADA, MISS., BY THE U. S. FORCES.

CAIRO, ILL., Dec 6.—From the Memphis papers we learn that General Hovey's expedition, 20,000 strong, which left Helena, Ark., some days ago, landed at Friar's Point, fifteen or twenty miles below, and marched to Grenada, Miss., and took possession of that place on last Monday.

A large number of the citizens of Grenada fled on the approach of our troops.

The editor of the Memphis Appeal had removed his newspaper establishment to Marietta, Ga.

Before the occupation of Grenada, by the U. S. troops, the rebels burned some fifteen or twenty locomotives and about one hundred cars.

The Fire at Lock Haven—The Loss About $400,000

WILLIAMSPORT, Dec. 8.—The fire at Lock Haven, on Saturday, originated in a carpenter shop, in the rear of Scott's Hall, and before the flames could be checked the entire business part of the town was destroyed, including the Lock Haven Bank, the Clinton House, and a large number of valuable buildings.

The Fallon House, Barker's hotel, and the river bridge were saved. The loss is estimated at $400,000.

Burning of the Orphans' Farm School.

ROCHESTER, PA., Dec. 6.—The Orphans' Farm School, at Zelienople, Butler county, Pa., was this morning destroyed by fire. The children were mercifully saved, but the large building, costing $25,000, with most of the furniture, provisions, clothing, &c, was totally destroyed. The school was under the charge of Rev. Mr. Passavant.

Standing Committees of the Senate.

Foreign Relations—Messrs. Sumner, Chairman; Foster, Doolittle, Wilmot, Browning, Lavie, Wright.

Finance—Messrs. Fessenden, Chairman; Collamer, Sherman, Howe, Cowan, Pearce, McDougal.

Commerce—Messrs. Chandler, Chairman; King, Morrill, Wilson, of Massachusetts, Ten Eyck, Arnold, Saulsbury.

Military Affairs and the Militia—Wilson, of Massachusetts, Chairman; King, Lane, of Indiana, Rice, Howard, Latham, Nesmith.

Naval Affairs—Hale, Chairman; Grimes, Foote, Sherman, Field, Kennedy, McDougal.

Judiciary—Trumbull, Chairman; Foster, Ten Eyck, Harris Howard, Bayard, Powell.

Post-Offices and Post Roads—Collamar, Chairman Dix

THE DRUMMER-BOY OF ANTIETAM.

BY W. O. EATON.

Where Antietam's long battle
Made the mountain-echoes rattle,
As brave thousands fell like cattle
At the butcher's red employ;
His fragile figure seeming
As he was sleeping, d eaming,
His life blood from it streaming,
Lay the little drummer-boy.
Ah, well-a-day!
His soul had fled away;
They never more may see him who once knew;
And the soldier ears that fed
On the music that he shed,
No more shall hear his thrilling rat-tat-too.

By the shell our ranks that troubled,
His tiny form was doubled,
And through the woand that bubbled,
The childish spirit pass'd;
Yet no distorted feature
Of the gallant little creature
Evinced the change in Nature
Which had come to him at last.
Ah, well-a day!
As once at home he lay,
As if the cradle's peace were felt anew;
But father more, nor mother,
Nor sister more, nor brother
Shall hear him proudly beat his rat-tat-too.

Near where the stripling perished
Lay the drum he so much cherished;
And the sticks he nimbly flourished
Were in his hands descried;
But each like him was battered
By the missiles when they shattered,
Yet though they all were scattered,
They had not left his side.
Ah, well-a-day!
As silently they lay [so true:
As that young heart whose throbs were all
And their mission fitly ended
With his whole soul was blended
With the magic of their stirring rat-tat too.

Where he fell, the youth was buried,
With the drum and sticks he carried;
And the swarthy soldiers tarried
And forgot the victor's joy;
For hard was the reflection
That a regiment's affection
Could give no resurrection
To the little drummer-boy.
Ah, well-a-day!
Sweet blossoms fall in May,
But patriot blood is fertilizing dew:
His mem'ry 'twill revive,
And freshly keep alive,
As long as soldiers love the rat-tat too.

THE FARMER.

[Written for the Dollar Newspaper—Philada.

BOOKS ON AGRICULTURE.

Turnip Husbandry.

As your correspondents are writing respecting books on agriculture, permit me to say a few words respecting one that has lately come into my hands, viz: "Turnip Husbandry," by David F. Jones, Dublin, 1847, pp. 53, 12mo. Mr. Jones has treated his subject in a plain, intelligible manner, free from pedantry or any attempt at scientific display. His work is a plain treatise, which can be understood by any one having a knowledge of the English language, and is free from all technicalities, although some phrases of a local character may perhaps puzzle some in this country who never heard such phrases. He is himself a practical farmer, and none but practical farmers are, in my opinion, fit persons to write on agriculture. What does a man know of that he never practiced? The trash that has been published writen by M. D.'s and broken down college Professors, men who never walked between the plow handles, has, by its technicalities and learned language, disgusted more tillers of the soil than it has instructed. The book before me abounds in instruction, and I shall give, in as few words as possible, the substance of what might be useful to those who have to raise turnips, at the same time I would recommend the perusal of this book to every farmer; for, as its design was to promote the raising of turnips in Ireland, the instructions are no less generally applicable to our country; nor are the advantages he describes less, and anything that will increase the resources of a country, or add to the comforts of the people, is of importance.

Mr. Jones recommends to plow the ground thoroughly, and to pulverize it well, and to manure it, preferring farm-yard manure to any other, which, for this crop, should be tolerably free from straw or other long stuff, and he prefers sowing the turnips in drills, thinning them out with the hoe to about twelve inches apart, and keeping them clear of weeds. This is the plan which he recommends, without going into the details of operations which he gives minutely. Turnips are raised in large quantities in England for feeding sheep, and other stock during winter, and there they grow from eight to twelve inches in diameter. It is generally thought they will not grow so large in this country, but an English farmer told me that by hoeing them and cultivating them, as in England, he raised as large turnips as he ever saw in Scioto county, Ohio. The largest I ever saw were raised in 1841, on land that was newly cleared, in Portage county, Ohio. They were Swedish Turnips, and no two of them could be got into a half bushel. The mode of raising turnips generally in all parts of this country is to plow the ground, harrow it, and sow the seed broadcast, and let the turnips grow until they are pulled up, instead of which they should be thinned with the hoe, and the weeds cut down, and the ground round each loosened.

At page 24 of Mr. Jones' book, he mentions an instance of a crop of turnips being raised on land which was so barren as not to produce herbage; so thin and stubborn as not to be possible to be dug with a spade, and had to be knocked over with the pick-axe. By dropping a handful of the following mixture at a foot apart, and then by dropping the seed on it a crop of Swedes was raised, viz:

30 bushels of wood ashes.
2 cwt. of Ichboe guano.
30 lbs. of burnt bones and 22 lbs of sulphuric acid.
30 bushels of sawdust.
10 lbs. of sulphuric acid poured over the ashes.

This is what was put on each acre, and the result was, the crop was at the rate of 23¾ tons per acre on the best part of the land, and on the poorest part at the rate of 19 tons. I have given the above composition, which in England cost less than $10, thinking that it may benefit some of our farmers living near to large cities, as the retail price of turnips now would justify the outlay and yield a great profit. J. G.

[Written for the Dollar Newspaper—Philada.]

THE FARMER.

Among the many pursuits which engage the attention of man, there is none which conduces more to his comfort and true happiness than farming. And the American farmer, of all others, is the man to be proud of his vocation. He owns the soil he tills, his labors are lightened by the success ful appliance of machinery, and his mind is continually gathering rich stores of knowledge from the many sources afforded to all. Yet there is a tendency to undervalue this calling; there is a kind of pride created in professional, and commercial circles hesitate to acknowledge the farmer as an equa. And the honest husbandman, as he passes along the street, dressed in his substantial homespun, is not unfrequently an object of ridicule to the brainless fop who struts along in his unpaid-for suit of broadcloth. Even the farmers' boys, in very many instances, think that *gentility* is to be found in another sphere, and forthwith they must study law or medicine, while others turn their backs to the plow and hoe, and seek an easier and more genteel calling behind the merchant's counter. Among professional men, a very few, after years of close application, rise to eminence; but by far the larger number are never rewarded with even liberal success. In mercantile life we find occasionally a merchant prince who has amassed wealth at the expense of another class of society, or who has been one of Fortune's favorites whose every venture has been a success. But the labor of the intelligent and industrious farmer is crowned with universal success, with him peace and plenty abound. His flocks and herds are grazing in the meadows—his well filled barns, or crops ripening for the sickle betoken no near approach of poverty—fruits and flowers in rich abundance minister to his comfort—the balmy air of Heaven sends life and activity through every fibre of his system, fitting him for a life of usefulness among his fellow men. To this glorious calling, the way is open to all. The broad prairies of the West, in their virgin purity, are waiting for for the plowshare. To our farmer boys, who would forsake the calling of their fathers, we would say, study this matter well, and let your decision be governed by intelligence and wisdom.

A MICHIGAN FARMER.

[Written for the Dollar Newspaper—Philada.]

POSTS.

The cheapest and most durable fence that a farmer can put up is a post fence, provided the material is good; but too much care cannot be exercised in the selection of material. It is true that any kind of wood will make a rail to last as long as one set of posts; but rails made of good, thrifty white chestnut, will last at least forty years. In the selection of timber for posts care should be taken to select the healthiest trees in the forest, as timber that has already began to decay will not pay for the labor of making the fence. Again, white chestnut of large growth will last fifty per cent. longer than red chestnut. I do not think it makes much difference which end of the post is put in the ground. The principal object of the farmer should be to have good material, the posts unsplit, if possible, and have them set as soon as possible after cutting. I saw posts raised this spring made of the kind of timber above described, which had stood twenty years. The posts were sound and very heavy, thus proving the utility of good timber and plenty of it. I might say that the most of these posts, if set again, would last ten years longer. The holes, or mortices in posts should be three-and-a-half inches wide for new rails, so that the points of the rails need not be cut too small.

New Providence, 1862. BARTON.

[From the Country Gentleman and Cultivator.]

WINTER MANAGEMENT OF EWES.

Commence with that breed that is best adapted to your locality and wants—first, every fall weed your flock by throwing out the poorest ewes, and fat them, replacing them with selections from your ewe lambs; in so doing you will annually raise the value of your flock to a very great per cent.; and, unless you can resist tempting prices for your best breeders, you will not succeed in your vocation.

Breeding ewes should be kept in open sheds facing the south and east, and at the same time be protected from the searching winds from the north and west.

Separate them into yards of 25 each of coarse wools—35 of middle or 50 of fine wool.

Feed not less than three times a day—twice a day with hay, and once with straw; grain in straw, or roots, according to your facilities.

I feed my ewes twice a day with good hay, and once with unthrashed oats—(the straw, after being picked over in racks, goes for bedding the sheep,) at the rate of an average of one pint per day through the winter, commencing with a gill or half pint, and gradually increasing it as the ewes near their time of lambing, at which time it should reach a pint or more, according to the size, age and condition of the ewes.

I do not believe it pays to thrash, and much less to grind oats for sheep, unless it be for a few days in spring, when first turned to grass.

Twice a week I omit the oats, and in its room feed roots, (but in excessive cold weather feed their usual oats,) thereby preventing the stretches, which disease is comparatively unknown in England, on account of turnip feeding.

Formerly I lost from one to three per cent. of my sheep every winter with this disease, by reason of confining them on dry feed, but latterly have not had a case.

Oats is the best grain for breeding ewes, as it developes the frame-work of the lamb, or in other words is a bone and muscle growing feed, while corn or oil meal is best to fat sheep; and such food would grow in the undeveloped lamb an undue amount of fat, in proportion to the frame-work or bone and muscle of the lamb.

Lambs from ewes excessively fed on fat-growing food will be deficient in bone and muscle, and literally loaded with fat at the expense of bone, muscle and wool, and not possessed of sufficient strength to ever stand.

The complaint of oat fed to breeding ewes, as injurious to their lambs, is "more cry than wool."

An acquaintance feeds a bushel of oats per day through the winter to 27 ewes with good success. This spring he raised from 20 of them 32 lambs. If he had fed the same amount (not of measure, but amount of nutriment,) in oil meal, I would venture to say not one of the lambs would ever have got up, they would have been so loaded with fat, with weak bone, and comparatively no wool.

Sheep will habituate themselves to stay where they are fed, so feed in dry weather in the yard, where they can get exercise, pure air, and the sun. The latter is as necessary for the health of an animal as it is for a plant. In stormy weather feed in racks, either stationary around ends and back sides of the sheds, or movable ones in the centre.

Salt should be constantly kept before the sheep, in a box nailed to one corner of the inner side of the sheep-shed, and if your sheep are ticky, mix sulphur at the proportion of one-third to two-thirds salt, but good feeding is a sure preventive. Ticks will not thrive on fat sheep.

Keep your breeding ewes well bedded with straw, and by all means remove the manure from the sheds as often as there is a thaw in the winter, as the ammonia from sheep, and especially of horse manure, is positively injurious to them, and though disease may not appear in the ewes, yet it will count on their lambs.

We would earnestly recommend feeding at regular intervals. Order and regularity are as beneficial to the lower animals as to man.

Especially feed the ewes well while the ram is serving, so as to start a vigorous germ, and keep up that feed, or the growing germ, instead of growing with their growth and strengthening with their strength, will, when dropped, though possessed of good size, be deficient in vigor and vitality.

Use none but strong and healthy rams of good age, avoiding, if practicable, a ram ramb or an aged ram; and feed him liberally on nourishing and bone and muscle producing feed, but not excessively on fat producing feed.

Separate the ewe from the ram after being served. From 25 to 40 ewes is enough for each ram.

I know of a case last season, where one ram was permitted to run with 110 ewes; the last flock of 35 lost 36 per cent. of their lambs—they had not strength enough to get up, though from ewes strong and in good condition.

We could mention a party in an adjoining county, whose spirit of improvement for purchasing South-Downs we heartily commend, but who the first season permitted his ram to serve 200 ewes, thereby producing a family of Downs deficient in size and vigor, leading parties to suppose such breeding to be a fair representation of this deservedly popular breed of sheep, thereby seriously injuring the breed of Downs in that section and surroundings for the next generation.

Seed animals of all kinds should, if practicable, be acclimated before being used. Last year I rented a ram imported the same season, and not one of the 25 ewes he had access to proved in lamb by him, though elsewhere he had proved himself a sure getter. We learn that quite a per centage of the mares in this vicinity, served last season by a seed horse not acclimated, proved not in foal, though he was reliable elsewhere.

If you wish to have large and strong ewes, do not breed from them until they are two years old.

By all means select the best rams you can find, even if your unprogressive neighbors laugh at what may seem to them extravagance in you.

Remember the price you pay for a good ram is not what he is worth for mutton and wool, as estimated by an unprogressive farmer, but for the present and prospective good he is capable of producing in your flock, according to the amount of purity of blood, or purity of breed, which you wish to infuse into your flock.

GEORGE BACHELDER.

Stanstead, Canada East, Sept. 29.

SELECTION OF SHEEP FOR FATTENING.

Few farmers raise the sheep they feed for the market. The best districts for raising sheep are not always the best for preparing them for the butcher. The mountainous regions that yield abundance of grass are not so good generally for grain and roots. The farmers who live near good markets, or who farms are well adapted to grain and roots, can fatten sheep to better advantage than those who live in a more broken country. But much of the success of feeding depends upon skillful buying. The refuse, cheap sheep of light weight are not the ones to be fed with most profit. As a rule, it takes no more food to finish off for the butcher a sheep weighing a hundred and fifty pounds, than one of a hundred pounds or less. They will gain much faster, and give you more money for the food consumed. The same constitutional habit that has made them thrifty in the light hill pastures, will make them gain faster in the feeding yards. Therefore purchase the larger sheep, even if you have to give more for them in proportion to their size than for small ones.

FEEDING.—The practice of skillful farmers differs considerably here, both as to time and the articles of food consumed. Some feed thrice daily, others four times; viz., early in the morning, at 11, at 1, and at evening. Whatever times are selected, the feeder should be on the spot at the appointed hour. Regularity in feeding is a prime element of success in the fattening of all domestic animals.

In the change of the flock from the pastures to the yards, care should be taken not to overfeed them with grain at first. The quantity of meal, grain, or oil cake, may be gradually increased from a handful up to a pound for each sheep daily, beyond which quantity it is not ordinarily profitable or safe to go. Too high feeding with meal or oily food, sometimes leads to sudden death, and the butcher loses his mutton, and you lose your profits.

The sheep, as well as other domestic animals, loves a variety of food, and will do much better upon three sorts daily, than upon any one. Whatever bill of fare be made out for them, clean, sweat hay should always be the staff of life. They are very fond of turnips, and these may form a part of the daily food, both in the fall, before they come to the yards, and while they are in confinement. Carrots, beets, and other roots are also highly relished. Some one of these will profitably form one of the daily meals. For fattening, they also need some kind of oily food, as oil cake, cotton seed cake, or Indian meal, or corn. They relish almost all the grains, and these may be fed to advantage where the farmer raises them, or can buy cheaply. The straw of the grains, oats, wheat, and rye, if run through a cutter, and mixed with a little oats, or meal, can be profitably fed. Beans are an excellent feed, and are more greedily eaten by sheep, than by other kinds of stock. They need neither boiling nor grinding. Indeed there seems to be no profit in grinding any of the grains for this animal, so perfect is its mastication.

[Written for the Dollar Newspaper—Philada.

DECIPES.

CURE FOR THE TOOTH-ACH.—Although for a decayed tooth there probably is no certain rememedy except extraction, yet the pain can often be relieved by dissolving a small piece of gum camphor in a few drops of spirits of turpentine, and moistening a piece of cotton or lint with it, and inserting it in the tooth.

FOR THE EAR-ACH.—Get a green stick o black ash two feet long and one or two inches in diameter. Put one end in a hot fire, and having the other end a little lower, catch the water that will run out, and put a few drops as hot as it can be borne into the ear. This is a certain and effectual cure.

PRESERVING CABBAGES FOR SPRING USE.—Last autumn I had more cabbages than I thought would be used before they would spoil, so I dug a trench about two feet deep and large enough to hold twenty cabbages; these were well covered with straw and earth, and when opened the present April were in perfect condition, as sound and hard as when first buried.

ST. LAWRENCE.

St. Lawrence County, N. Y., 1862.

TO TAKE OUT FRUIT SPOTS.—Let the spotted part of the cloth imbibe a little water without dipping, and hold the part over a lighted common brimstone match at a proper distance. The sulphurous gas which is discharged soon causes the spot to disappear.

TO PRESERVE CRAB APPLES.—Take off the stems and core them with a penknife, without cutting them open; weigh a pound of white sugar for each pound of prepared fruit; put it over a moderate fire. When the sugar is all dissolved and hot, put the apples in; let them boil gently until they are clear; then skim them out and place them on flat dishes. Boil the syrup until it is thick; put the fruit, in whatever it is kept, and when the syrup is cold and settled, pour it carefully over the fruit. Slices of lemon boiled with the fruit may be considered an improvement; one lemon is sufficient for several pounds of fruit. Crab apples may be preserved whole, with only half an inch of the stem on; three-quarters of a pound of sugar for each pound of fruit.

THE FARMER'S DAUGHTER.

[Written for the Dollar Newspaper—Philada.]

TREATMENT OF MANURE.

Of the many subjects imperatively demanding the attention of practical farmers, that of manure is among the most important. And yet the subject is, perhaps, less attended to by Western farmers than any others, and from the majority of the farmers of Illinois has as yet received no attention whatever. So long has this habit of neglect been indulged by the farmers of Central Illinois, that it seems to have become firmly fixed. I know of farms in this immediate vicinity which have been under cultivation for twenty years, and in all that time have received no return for the exhausting draught thus made on their natural resources. Now although our soil, rich in organic matter, can sustain a great deal, yet this course, if persevered in, must in time greatly deteriorate it. We can already perceive its effects in the inferior quality and quantity of the crops obtained from land which had been subjected to such treatment. One would think, from the course pursued by many Western farmers, that they supposed some regenerating influence to be at work in the soil which, during the winter, would recompense it for whatever draught the owner might choose to make upon it in the other seasons of the year. To those who have pursued this course for ten or twenty years, in full view of its evil effects, I have nothing to say. It would, no doubt, be useless. Ephraim is joined to his idols. But there is another class of farmers who are almost equally derelict in duty, and as in their case, the failing arises from carelessness rather than from a false belief, there may be hope for them. I refer to those who, while intending to use the manure which yearly collects on the farm, allow it to be scattered about the cattle pens or piled in fermenting heaps in the barn-yard. Now if it be admitted that a manure heap is not to be looked upon as so much offensive matter which is to be removed from sight as soon as possible, but rather is to be considered as so much capital, which the owner should put out at interest, then surely it is not good policy to allow it to lie exposed to the sun, and thus lose a large part of its virtue. The practice of allowing the manure to remain in the yard, and at every rain have a portion washed away and lost, leads to a double loss, for it not only deprives the owner of the present benefit of its use, but, at the same time, is allowing the land to deteriorate. Thus the practice deprives him of the interest which he ought to be obtaining, and reduces the value of his capital by injuring the land. The waste of horse manure by fermentation, to which, from the warmth of its nature it is peculiarly liable, is almost equal to that suffered by permitting the liquid portion to be washed away from the cow-yard. The horse manure and that of the cow, unless it is to be applied to the land immediately, should be mixed together and protected from the rays of the sun. Do this, and the profits arising from its use will be trebled. Farmers of Illinois, ponder your ways and be wise. [*Warren County, Ill.*, 1862.

COFFEE CULTURE.—*Avon, Mo.*—Will Gill Bates please inform me through the "Newspaper," where the Australian Coffee can be procured? I should like to obtain some for trial, as the present high price of coffee puts it out of the reach of people in humble circumstances. M. A. E.

STATE DOCUMENTS.

Report of the Secretary of the Interior.

SALES OF PUBLIC LANDS.

The demand for the public lands has continued to decline since my last report. The sales for cash have not produced a sum sufficient to pay the expenses of our land system.

On the 30th of September, 1861, there were surveyed and ready for sale 14,218,330 69 acres. From that date until September 30, 1862, there have been surveyed 3,135,067 41 acres.

During the fiscal year ending June 30, 1862, and the first quarter of the current fiscal year, there were sold for cash 154,258 65 acres, producing $157,476 26. During the same period 712,056 77 acres have been located with bounty land warrants; 1,133,866 92 acres have been certified under railroad grants made by Congress; and 24,316 09 acres have been certified to different States as swamp lands. The aggregate amount thus disposed of was 2,024,520 43 acres; leaving of surveyed lands for sale on the 30th of September, 1862, 135,328,988 84 acres.

Under the bounty land laws of 1847, 1850, 1852 and 1855, there were issued, prior to the 30th of September, 1862, 537,471 warrants covering 58,876,430 acres of land. Of these, there were outstanding and unsatisfied, September 30, 1862, 65,913 warrants, covering 7,122,380 acres.

The public lands for agricultural purposes can no longer be looked to as a source of revenue. The inducements to settlements presented by the homestead law will preclude extended sales for cash. The pine lands of the north will be purchased for the timber they supply, but these will be paid for mainly with warrants and the various land scrip which has heretofore been issued, or is authorized under existing laws. The amount of cash which will be hereafter received on purchases made either for the timber or cultivation will pay but a small proportion of the expenses of our land system.

HOW TO MAKE THE MINERAL LANDS AVAILABLE FOR REVENUE.

The extensive mineral lands belonging to the United States, although containing inexhaustible mines of wealth, have heretofore been wholly unproductive as a source of revenue. The precious metals these mines have increased the wealth and prosperity of the country, but the direct profits upon their production have been enjoyed exclusively by those who have been engaged in mining them. It has become a grave question, to be determined by Congress, whether this policy shall be longer continued, or whether these mines of wealth shall not be made available to and in lieu of defraying our national debt, so far as this may be done without injustice to the enterprising men who are working them. The great auriferous region of the United States, on the western portion of the continent, extends from 31 deg. 30 min. north longitude to the 49 deg., and from 100 deg. of longitude to the Pacific ocean, embracing portions of Dakota, Nebraska, Colorado, New Mexico, Arizona, Utah, Nevada, California, Oregon and Washington, and covering an area of more than a million square miles.

This vast region is traversed by extensive ranges of mountains, which are literally stocked with minerals, gold and silver being interspersed in profusion, and daily brought to light by new discoveries. The precious metals are found imbedded in mountains, and in rich washings marking the pathways of rivers and floods. The silver mines of Nevada and New Mexico promise a production greater than that of any other portion of the world. The discoveries of gold in the Colorado, or southern portion of California, and in the region stretching thence up to and north of the Salmon river, in the territory of Washington, are stimulating the mining enterprise of that region beyond all former precedent

Before the discovery of the gold of California the annual production of gold in all parts of the world did not exceed an average of eighteen millions. The present annual production in California is estimated to average seventy millions. The Commissioner of the General Land Office, after extensive inquiry from all available sources of information, estimates the production of gold the present year from the whole region of country before described, at one hundred millions. If an amount of labor relatively equal to that expended in California had been applied to the gold fields already known to exist outside of that State, it is believed that the production of this year, including that of California, would have exceeded four hundred millions.

Our rapidly increasing public debt demands a resort to every available source of revenue. The mineral lands of the public domain are the property of the whole people, and justice, as well as sound policy, requires that they should be used as a means of relieving them, to some extent, from the burdens of taxation.

Several modes have been suggested for making these lands productive to the government. The granting of leases by the government, the collection of a certain proportion of the proceeds of the mines, and the absolute sale of the land in small lots, have each been advocated. It has been estimated that at least $500,000,000 could be realized by the sale of them in one acre lots, after granting to those who are engaged in mining a clear title, without cost, to the lands they occupy. It will be for Congress to determine which, if either, of these systems shall be adopted.

ORIGIN OF THE NORTHWEST INDIAN WAR.

The press has announced that the Indian war is ended. It is true that active warfare, in the field, has ceased, and the Indians are unable to resist the organized troops of the Government; but they have it in their power to break up all the white settlements and depopulate an extensive region of country, unless a large military force shall be kept there.

The causes of the Indian hostilities in Minnesota have been a subject of much discussion. After a careful examination of all the data which the Indian bureau has been able to obtain, bearing upon the causes which produced the immediate outbreak, I am satisfied that the chief cause is to be found in the insurrection of the southern States.

On the 29th of August, 1862, Honorable J. R. Giddings, United States Consul General in Canada, addressed a letter to the Secretary of State, in which he said: "There is little doubt that the recent outbreak of the Chippewa Indians in the northwest has resulted from the efforts of secession agents, operating through Canadian Indians and fur traders. To what extent citizens of Canada are involved I am unable to say."

This statement is confirmed by information obtained from other sources.

As early as the 5th of August the Superintendent of Indian Affairs in Utah wrote to the Commissioner of Indian Affairs that several prominent chiefs were endeavoring to effect a general rising of the tribes in that region, to exterminate the white settlers.

On the 26th of August the Agent of the Overland Mail Company telegraphed the Postmaster General that "general war with nearly all the tribes of Indians, east of the Missouri river, is close at hand."

The evidence of a general hostile disposition on the part of the Indians was so strong that this department considered it proper to instruct the Commissioner of Indian Affairs to publish an advertisement, warning the public of the dangers likely to be encountered on the overland route to the Pacific.

Rev. P. J. De Smet, an intelligent Catholic priest, in a letter to the Commissioner of Indian Affairs, dated September 5th, stated: "Whilst in the upper plains of the Missouri river last June and July, at Fort Barthold, among the Gros Ventres, the Ricarees and Mandans, at Fort Union, among the Assinaboines, and at Fort Benton, among the Blackfeet Indians, I heard it frequently stated by American traders, that the Indians of the plains had been greatly tampered with by the English traders along the boundary line, and expected to assist them in the then expected war between Great Britain and the United States. This excitement took place when the news reached the upper country of the difficulties created between the two countries by the arrest of Slidell and Mason. A great number of Indians of the various tribes had been induced to come and trade their furs on the British side of the line, and were promised that they would be provided, in due time, with all that was necessary to expel the Americans from their Indian country."

It is alleged by persons who were present at the attack upon Fort Ridgely by the Sioux, that orders were heard distinctly given in English, and repeated in the Sioux language. The movements and attacks of the Indians, it is said, indicated the presence and guidance of persons familiar with the mode of civilized warfare.

For some time previous to the commencement of hostilities, emissaries were sent through the several tribes with the wampum, to incite them to a general attack upon the white settlements. It is a significant fact that United States soldiers, who were made prisoners by the rebel forces, were compelled to sign a parole, containing a stipulation that they should not engage in service against Indians.

Many of the Indians were dissatisfied with the treaties by which they had agreed to part with their lands. They complained that they had been deprived of their hunting grounds and of the means of subsistence. They also complained of alleged frauds on the part of Indian agents and traders, some of which may have been well founded, but many were doubtless groundless. These complaints were aggravated and increased by insidious and false representations made by traders whose licenses had been revoked, and who were smarting under the deprivation of the profits they had been accustomed to make from their traffic with the Indians. These causes combined had for some time tended to produce a spirit of discontent and insubordination in the Indians.

The representation through Southern emissaries that the troops of the United States had been defeated in several battles, and that the Government of the United States was destroyed and would be unable to restrain them, suggested the time as favorable for an effort to recover their lands and to gratify their desire for vengeance upon the whites.

OTHER INDIAN MATTERS.

The Secretary recommends the removal of the Indians in the Indian territory south of that State, and the arrangement of a land treaty with the Indians in Colorado and Washington territories.

PATENT OFFICE.

The business of this bureau has exhibited increased activity the last year. During the year from October 1, 1861, to September 30, 1862, there were received 5362 applications for patents, of which 3522 were granted, in the same time 811 caveats filed, and 29 applications for extensions were received, of which 18 were granted. Seven hundred patents remain in the office awaiting the payment of the fee which is due on delivery.

PENSIONS.

The number of pensioners of every class in the loyal States on the 30th June, 1862, was 8159, requiring the sum of $752 711 71 to pay their pensions. The amount actually paid the past year, including expenses of agencies and arrears of pensions, was $752,16 1 71.

It is ascertained, from the latest information, that there were 2073 pensioners in the disloyal States, whose pensions amounted to $163,361 98. The entire amount of pensions paid in those States in 1861, accounted for, was $8,223 35.

At the close of the last fiscal year there remained in the hands of pension agents in the disloyal States $23,627 56. Of this sum $15,635 99 has been property accounted for at different points taken and held by the Federal forces at which pension agencies were located.

An examination of the statistics furnished by the records of the Pension Office, shows a decrease in the number of pensioners, since 1861, of 477. The aggregate payments in that year to pensioners, was $1,072,461 55. For the present year the amount due to pensioners is $790,384 76, being $282,077 79 less than was paid the previous year.

The number of bounty land warrants issued in 1861 was 5341, granting 634 720 acres. For the present year but 1636 warrants were issued, granting 217,360 acres, being a decrease of 3705 warrants, and of 576,860 acres of land.

Since the adoption of the Constitution there have been granted for naval and military services 61,030,582 acres of the public domain, which, if estimated at $1 25 per acre, amounts to $82,207,327 50; and the aggregate amount of money expended by the government in the payment of army and navy pensions, since its organization, is ascertained to be $90,668,521 06.

POSTMASTER GENERAL'S REPORT.

The report for this year exhibits a very healthy financial condition of the Post-office Department, and shows it to be thoroughly impregnated with the spirit of improvement. The efficiency of the service has been maintained at the highest point, accompanied by a great diminution of expenditures.

The gross revenue of the Department for this fiscal year, including the standing treasury credit for free mail matter, and a small amount appropriated for the relief of individuals, was $9,012,349 13. The expenditures for the same year amounted to $11,125,314 13. The regular postal revenue for 1862, is only $4,947,550 less than it was for the fiscal year 1861, during a large part of which year revenue was paid in from all the States of the Union. This fact shows a large increase in the correspondence of the loyal States, while the revenues have been so nearly sustained at the highest standard the expenses have been largely reduced. For the preceding year the expenditure was $3,481,394 98 greater than last year.

The following comparison of figures are interesting:—

Expenditure for 1860, for services in all the States,	- - -	$14,874,772 89
Revenue for the same year,	- - -	9,218,067 40
Deficiency,	- - -	5,656,705 49
Expenditures for 1861, (service interrupted in 1861),	- - -	13,606,759 11
Gross resources for 1861, do. do.		9,049,296 40
Deficiency,	- - -	4,557,462 71
Expenditures for 1862,	- - -	$11,125,361 13
Revenues,	- - -	9,012,549 56
Deficiency,	- - -	$2,112,811 57
Reduction of expenditures as compared with 1860,	- - -	$3,749,408
Do. - - - do.	1861,	2,481,394

The Department has not been for many years so nearly self-sustaining. The result is largely owing to suspension of postal expenditures in the South, which were greatly in excess of the postal receipts there, but not alone to that. A revision of all discretionary expenses has been made, and large reductions ordered. The pay of agents has been regraded and equalized; economy has been established in the larger offices, where waste was found. Incompetency, wherever found in official position, has been removed, and an effort made to adopt a standard of merit and of administrative efficiency, in lieu of other and inferior motives for appointment.

The Postmaster-General expresses his determination to adhere to this course.

The number of postage stamps issued to postmasters during the year was 351,367,105; the number of stamped envelopes was 24,360,300. The value of these stamps was $7,078,188; the value of the letter envelopes was $733,255 50; the value of the stamped newspaper wrappers was $23,618 50; the increase of issue over 1861, $1,144 858 27—and the total value sold was $6,910,131 89.

The increasing demand on the part of the public for the stamped newspaper wrappers, shows that their introduction has satisfied a public demand and promoted the convenience of correspondents.

In the first quarter of the current year ending on the 30th of September, the number of stamps issued to postmasters was 104,000,000, the calls being for about 200,000,000, which would have been nearly sufficient to meet the usual demand for a year. This extraordinary demand arose from the temporary use of these stamps as a currency, in lieu of the smaller denominations of specie, and ceased with the introduction of the so-called postal currency. The difference between the value of stamps sold and stamps cancelled in the fiscal year 1862, shows $738,379 96 as the amount in the hands of postmasters on the 1st of July, 1862.

The whole number of dead letters received and examined during the year was 2,282,018, which is 267,000 less than on the previous year. The whole number of valuable letters sent out by the dead letter office was 51,239.

Many interesting details are given in the report touching the operations of this office. Out of 21,493 cases where the causes of non-delivery were ascertained, only 225 were attributable to the fault of Postmasters, and 822 letters had no address whatever. Congress at its past session passed an act authorizing the employment of twenty-five additional clerks to facilitate the return of dead letters to the writers, with the expectation that the receipts of postage thereon would cover the appropriation of $30,000 made for their compensation. The result thus far shows an excess of revenue therefrom over the expenses has accrued, to the amount of several thousand dollars.

The whole number of post-offices in the United States remaining established on the 30th of June, 1862, was 28,875, of which there were in the loyal States and districts 19,973, and in the insurrectionary States and districts there were 6902. The net increase in the established offices over last year was 121. The number of cases acted upon by the appointment office during the year was 7285.

The total postage accrued on the U. S. and European mails during the year amounts to $1,144,095 92, being a reduction from the amount of the previous year of $217,940 88. Of the total amount collected, the excess collected in the United States was $212,807 36, which constitutes the balance paid to the several foreign departments, the cost of exchange being paid by the United States. The Postmaster General objects to the cost as inequitable, and proposes, if possible, to relieve the Department from this burden.

The mail lettings, which went into operation on the 1st of July last, on the Western division, were effected on such favorable terms as compared with the previous letting, that a reduction of expenditures resulted to the amount of $331,000. At the same time the length of routes was increased by 6159 miles, with an annual increase of transportation of 754,428 miles.

The total annual cost of inland service in operation on the 30th of June last was $5,853,834, to which add the cost of the various agencies, route, local messengers, &c., $460,630 92, and the cost of service at that date is $6,314,464 92, which include $1,000,000 for the overland route, not before charged on the revenues of this department.

He discourages the use of the mails for transmitting money, and speaks favorably of a limited money order system, and of an amendment to the Registry system, by which a return receipt should be sent to the dispatching party, as evidence of the fact and date of the delivery of his package.

The public attention is called to the great importance of good postal officers for a successful administration of the Department. If Postmasters and their clerks are selected without chief reference to their efficiency and personal fitness, a standard of good legislation will secure public satisfaction. An energetic, faithful and efficient Postmaster, devoted to the interests of the service, should be retained as long as he illustrates these qualities in his administration of the office. He attributes the success of the English system largely to the permanent character of their officers, and their familiarity with law and regulations, and regrets the extent to which other motives to appointments have prevailed in this country.

He urges a return to the old standard of honesty, capability and fidelity, and anticipates more public satisfaction and administrative success from the adoption of such a principle than from any other single act of reform. He uses the following language:—It is my intention to adhere fully to my determination to displace incompetency and indifference wherever found in official position under my control, without any discrimination in favor of appointments which I may myself have made under misinformation of facts.

The document, as a whole, will be read with unusual interest, and contains numerous suggestions of great importance to this branch of the public service.

Abstract of the Report of the Secretary of War

WASHINGTON, Dec. 2.—The Secretary of War, in his report to the President, after detailing the military operations of the past year, points to the fact that the Department of the Pacific has been free from any of the calamities occasioned by the rebellion, but an earnest and deep sympathy has been manifested by the loyal citizens of the Pacific States in support of the Union cause.

From a survey of the whole field of operations, it is apparent that whatever disasters our arms may have suffered at particular points, a great advance has nevertheless been made since the commencement of the war, which fact the Secretary proceeds to show. The Union forces are now in the field under able commanders, stronger than ever, resolute and eager to be led against the enemy, and to crush the rebellion by a vigorous winter campaign. The Armies of the Potomac and the west stand ready to vie with each other in the quickest and heaviest blows against the enemy.

Taught by experience the ruin of inaction, and hazard of delay, a spirit of earnest activity seems to pervade the forces of the United States beyond what has hitherto been exhibited in the numerous battles and engagements that have occurred; our armies in general have displayed the courage and determination that should inspire the officers and soldiers fighting in defence of their government. Under the calls of July and August there are already in the field over 420,000 new troops, of which 399,000 are volunteers, and 332,000 of which have volunteered for three years or during the war. It will be remembered that the call was made at one of those periods of despondency which occur in every national struggle.

A chief hope of those who set the rebellion on foot was for aid and comfort from disloyal sympathizers in the northern States, whose efforts were relied upon to divide and distract the people of the North, and prevent them from putting forth their whole strength to preserve the national existence. The call for volunteers, and a draft of the militia, afforded an occasion for disloyal persons to accomplish their evil purposes by discouraging enlistments, and encouraging opposition to the war, and the draft of soldiers to carry it on.

Anxiety was felt in some States at the probable success of these disloyal practices, and the government was urged to adopt measures of protection by the temporary restraint of those engaged in these hostile acts. To that end Provost Marshals were appointed in some of the States upon the nomination of their Governors to act under the direction of the State Executive, and the writ of *habeas corpus* was suspended by your order. Under this order arrests were forbidden unless authorized by the State Executive or by the Judge Advocate. Some instances of unauthorized arrests have occurred, and when brought to the notice of the Department the parties have been immediately discharged.

By a recent order all persons arrested for discouraging enlistments and disloyal practices, in the States where the quotas of volunteers and militia are filled up, have been released. Other persons arrested by military commanders and sent from the departments where their presence was deemed dangerous to the public safety, have been discharged upon parole to be of good behaviour and do not act of hostility against the Government of the United States.

While military arrests of disloyal persons form the subject of complaint in some States, the discharge of such persons is complained of in other States. It has been the aim of the department to avoid any encroachments upon individual rights as far as might be consistent with public safety and the preservation of the government. But reflecting minds will perceive that no greater encouragement can be given to the enemy, no more dangerous act of hostility can be perpetrated in this war, than the efforts to prevent recruiting and enlistments for the armies, upon whose strength the national existence depends.

The expectations of the rebel leaders and their sympathizers in the loyal States, that the call for volunteers would not be answered and that the draft would not be enforced, have failed, and nothing is left but to clamor at the means by which their hopes were frustrated and to strive to disarm the government in future, if, in the chances of war, another occasion for increasing the military force should arise.

Besides aiding the State authorities respecting the draft and enlistments, another important duty is assigned to the provost marshals. The army returns and the reports of the General-in-Chief show that a large number of the officers and enlisted soldiers who are drawing pay and rations are improperly absent from their posts. The pursuit of such persons and their compulsory return to duty is a necessary function of a provost marshal, and such number only as may be required for that purpose will be retained in the service.

The pay and bounty allowed by act of Congress to recruits have offered strong temptations to practice fraud upon the Government by false returns upon the muster rol